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Convenience Store Industry

1990
Fact Book

Third Edition

NACS.
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ASSOCIATION OF
CONVENIENCE
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FOREWORD

The National Association of Convenience Stores has been working for more than 29 years to provide the best education and training assistance as well as research and information services. As the convenience store industry's national representative, we are proud to feature this timely report in your Association's list of publications. We feel this report represents a significant contribution to our goal of improving the data base for managerial decision making.

T.C. Godwin
T-Mart Food Stores, Inc.
Vice-Chairman, Executive Committee for Education and Training

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NACS Director of Research, Mary Anne B. Chambers, produced this report.

INTRODUCTION

The NACS *Convenience Store Industry Fact Book* has been prepared in an effort to create the most comprehensive and complete historical account of convenience store industry trends. The *Fact Book* is based on data collected each year in the NACS *State of the Convenience Store Industry* report.

The NACS *State of the Convenience Store Industry* (SOI) report presents reliable and up-to-date industry data. The information in the SOI is based on an annual survey of the companies in NACS membership; and on a regular basis, over 40 percent of the stores represented by NACS member companies are represented by the SOI.

Each year the SOI presents various types of statistical information on the convenience store industry and analyzes, in depth, the trends and events affecting the convenience store industry for that year.

Since the *Fact Book* is based on information gathered through annual surveys, direct comparability from year to year is never entirely possible since responding companies differ from year to year. All figures in this report are averages based on the number and size of companies participating in the SOI survey.

However, we believe the historical series presented in this document provide an accurate picture of the historical trends in the convenience store industry. As with all statistical measurements, NACS figures do not always match figures presented in other publications.

WHAT IS A CONVENIENCE STORE?

The following information is taken from the NACS Research Report Convenience Store Industry Marketing Strategies and Store Formats prepared by Gene Gerke of Gerke & Associates, Inc. The information presented below describes the characteristics of the different types of convenience stores represented in the data in this report.

In the not too distant past, every convenience store looked about the same — twenty-four hundred square feet of packaged consumer items. Today, companies in the industry are approaching markets with different types of stores and different product offerings. There are mini-convenience stores under canopies, conventional size stores with expanded foodservice, and even hyper-convenience stores with a variety of product offerings and in-store seating for foodservice.

The fastest growing segments of the convenience store market are considered by many to be "nontraditional" stores. That is, store formats other than 2,400 square feet, either larger or smaller.

The changes in store formats have implications for all elements of the industry. Retailing executives are concerned with competitive impact and their marketing strategies and niches. Product suppliers want to be aware of changing formats as it dictates changing needs in appropriate product packaging, promotion and distribution for the stores. Equipment and systems vendors want to design their equipment and systems to fit the various types of store formats. Investors and financial analysts want to understand the economics of the changes taking place and the likely impacts on the convenience store industry. Finally, the various governmental agencies — local, state and federal — need to understand the various store formats.

FIVE IDENTIFIABLE FORMATS

Based on this research, five formats were identified as representing trends in the convenience store industry. The five convenience stores formats are: Mini, Limited Selection, Traditional, Expanded and Hyper.

A general description of each type is provided below.

Mini Convenience Store

This store format, usually 800 to 1,200 square feet in size, is extremely popular with the oil companies; and the emphasis is on gasoline sales. However, in such locations, the owners view store sales as an important part of the revenue and margin picture. Grocery selection is usually very thin and foodservice beyond prepared sandwiches is rare. There usually is not any parking other that at the pumps, although some locations do have modest striped parking. Open hours usually range from 18 to 24 hours. Customers are usually people buying gas. However, there are stores of this size in urban areas which may or may not sell gas.

Limited Selection Convenience Store

These stores, which range from 1,500 to 2,200 square feet, are becoming more numerous. They are often affiliated with oil companies and are in the size range of a converted two-bay service station. Both gasoline and store sales are generally important parts of profitability. They differ from the "mini convenience store" in a broader product mix and grocery offering (although still somewhat limited by traditional convenience store standards). Also, simple foodservice (hot dogs, nachos, popcorn, etc.) may be offered. Although gas buyers are normally still the main part of the customer base, traditional convenience store patrons are important. Striped parking and extended hours are common.

Traditional Convenience Store

Most of the original convenience stores fall into this category. They are about 2,400 to 2,500 square feet in size and offer a product mix which includes dairy, bakery, snack foods, beverages, tobacco, grocery, health and beauty aids, confectionery, and perhaps prepared foods to go, fresh or frozen meats, gasoline, various services, and limited produce items. Most stores of this size have 6 to 12 striped parking spaces or some form of convenient pedestrian access. Hours are extended compared to average retailers with a large percentage open 24 hours per day. Such operations are normally owned by convenience store chains, but oil companies have also built or acquired stores of this size.

Expanded Convenience Store

A very rapid growth is occurring in the number of stores in the 2,800 to 3,600 square foot range. Such stores can accommodate more shelving for additional grocery products or room for significant fast food operations and seating. Stores using the space for more grocery items are taking advantage of the niche which has developed as supermarkets increasingly move above the 40,000 square foot range. A few large chains are using this "superette" approach. A greater percentage are using the space to take advantage of the high profit margins in fast foods. As the number of smaller operations proliferate (largely as a result of the oil companies), many convenience store chains apparently view the move towards increased fast foods as essential. In terms of other products and services, such stores usually carry the traditional convenience store items. Parking is important with most having about 10 to 20 marked spaces. Hours are extended. Such operations not only attract the typical convenience store customer but also more families, women, and senior citizens.

Hyper Convenience Store

These very large stores (4,000 to 5,000 square feet) usually offer an array of products and services arranged in departments. For example, such stores may offer a bakery, a sit-down restaurant area, a pharmacy, etc. Many of these locations do sell gasoline. The number of employees per shift can be large, particularly if a small restaurant is present.

The number of parking spaces is substantial, especially since the amount of time the average customer spends in such an establishment can be significant. Hours are extended. Here again, as in the case of the Expanded Convenience Store, families and senior citizens as well as traditional convenience store customers are patrons. In some locations, such stores are mini-truck stops which obviously affects product mix and the customer base.

There is another type of store often associated with high volume gasoline operations -- a "kiosk." Although not considered a convenience store, the kiosk does offer some convenience items. A general definition of a kiosk is:

Kiosk

This format is less than 800 square feet and is intended to provide some additional revenue beyond gasoline sales. Gasoline is always the focus of this operation, however, with the owner usually being an oil company or petroleum marketer. The store sells only the fast-moving items found in traditional convenience stores (tobacco, beverages, snacks, and confectioneries). Grocery items are conspicuously absent, as is any sort of foodservice. Store sales may be only about 10 percent of revenues in such locations. Parking is usually only at the pumps. Hours vary widely, depending on the location and the inclinations of the owner. Typical customers are transients and locals stopping in to buy gas.

WHAT IS NACS DEFINITION OF A CONVENIENCE STORE?
(FOR MEMBERSHIP PURPOSES)

There are a wide variety of store formats, and many types of convenience stores owned by NACS member companies fall into this spectrum.

According to NACS Constitution and Bylaws, the NACS Definition of a Convenience Store is:

"A convenience store is a retail business with primary emphasis placed on providing the public a convenient location to quickly purchase from a wide array of consumable products (predominantly food or food and gasoline) and services.

"While such operating features are not a required condition of membership, convenience stores have the following characteristics:

"(a) While building size may vary significantly, typically, the size will range from 1500-5000 square feet with the majority between 2,000-3,000 square feet;

"(b) Off-street parking and/or convenient pedestrian access;

"(c) Extended hours of operation, with the majority open 24 hours, seven days a week; convenience stores typically stock 2,000-3,000 skus;

"(d) Product mix includes grocery items, and also includes items from the following groups: dairy, bakery, snack foods, beverages, tobacco, health and beauty aids, and confectionery;

"(e) Product mix may also include prepared foods to go, frozen food, soft drinks, juices, beer and wine (where permitted), meats, deli items, produce, publications, general merchandise, and gasoline; and

"(f) The store may offer various services, including but not limited to, automated teller machines (ATMs), check cashing, money orders, movie rentals, lottery tickets, film processing, video games, and event/transporation tickets."

A SHORT HISTORY OF THE CONVENIENCE STORE INDUSTRY

Convenience stores evolved from a variety of sources early in the twentieth century. They drew upon characteristics of many types of retail establishments in existence at the time: the "mom-and-pop" neighborhood grocery store, the "ice-house" (from pre-refrigerator days), the dairy store, the supermarket, and the delicatessen.

The Southland Ice Company is credited with the birth of the convenience store in May, 1927, on the corner of 12th and Edgefield Streets in the Oak Cliff section of Dallas, Texas. "Uncle Johnny" Jefferson Green, who ran the Southland Ice Dock in Oak Cliff, realized that customers sometimes needed to buy things, such as bread, milk and eggs, after the local grocery stores were closed. But, unlike the local grocery stores, his store was already open sixteen hours a day, seven days a week; so, he decided to stock a few of those staple items. That idea turned out to be very convenient for customers.

Joseph C. Thompson, one of the founders and later president and chairman of The Southland Corporation, recognized the potential of Uncle Johnny's idea and began selling the product line at the other ice dock locations of the Southland company. Further, these stores were open from 7 a.m. to 11 p.m. seven days a week.

In addition to convenience store development at the Southland Ice Company, other types of stores were emerging. There were "midget" stores in the 1920s and "motorteria's" or mobile convenience stores. "Bantams" and "drive-in" markets were around in 1929 where motorists never had to get out of their cars. "Delamat" vending machine type of stores were also popular for obtaining milk, eggs, produce, and fresh meat. Dairy cooperatives often ran "dairy stores" or "jug stores" as outlets for their operations. Sometimes supermarkets had small outlets in rural areas for people who did not travel to the city often enough for eggs, milk, etc.

The pattern of the emerging "convenience" types of stores grew modestly up until World War II (although they were not called "convenience stores" yet). The big factor in all of these operations was fast service. These stores were most successful in warmer climates where the open front was a big attraction.

The end of the war and the increased ownership of automobiles sparked the rapid growth of the industry in the 1950s. The automobile helped fuel the growth of suburban living --of families wanting the "American dream." Americans, with bigger cars and better roads, began flocking to the suburbs; and when they arrived, they found plenty of space to live and plenty of space to raise children...but too much space between shopping centers.

Additional forces continued to drive convenience store growth. The growth of the supermarket industry affected convenience stores. They were built larger and larger and were not as convenient to quickly get an item. Convenience stores filled in. Suburban families often had two cars and two incomes; both spouses working meant more discretionary income and less time for using a supermarket. Also, the increase in the number of working women reduced the amount of time available for shopping.

Stores were conveniently located. Customers could park in front of, or adjacent to, stores and could even leave their children in the car and keep an eye on them. With the variety of items available, it was virtually one-stop shopping without waiting in line.

Stores were easily franchised since it was getting expensive to start up a new store. They entered the northern regions of the country and continued to grow through merger, acquisition, and new building.

Convenience stores continued to evolve out of characteristics of the competitors: supermarkets, mom and pop grocery stores, specialty food shops, drug and variety stores, vending, fast food chains, and gasoline service stations. When self-service gasoline became popular, convenience stores began offering it. The number of gasoline stations declined while the number of convenience stores selling gas increased.

Today, the main competitors that convenience stores face are those mentioned as well as chain drug stores, superettes, warehouse stores, general retail stores, home delivery services, and, of course, other convenience stores.

The industry has grown rapidly along with the consumer trend for convenience. The industry has supplanted the neighborhood grocery store and has become established in new suburbs and areas too small to warrant a supermarket. Convenience store companies have been opportunistic and innovative, thriving in market niches too small for others to operate profitably.

CONVENIENCE STORES IN THE LAST TWENTY YEARS

In the early 1970s, convenience store operators had to cope with price and wage controls, gasoline and merchandise shortages, record inflation and interest rates, and increased competition due to longer hours and increased discounting by supermarkets. The energy crisis limited the number of convenience stores offering gasoline. During the severe phases of the energy crisis, operators could sell all the gas they could get at the highest prices permissible under the price controls in effect at the time. The major factor limiting gasoline profits was an adequate source of supply.

The industry stood up to all types of competition successfully. As the size of supermarkets continued to increase to the new super store concept of 30,000 to 50,000 square feet, a number of the smaller, existing supermarkets fell by the wayside. The result was that many operators seized upon the pockets of opportunity provided by these openings.

More states were providing for self-service gasoline, so the number of convenience store gasoline outlets grew. More stores were selling gas and moving to owning gas equipment as opposed to operating on a commission basis (a higher margin per gallon was associated with a store owning its equipment).

Costs continued to go up with energy taking a sharp jump; severe competiton held back margins; high interest rates affected bottom lines; more regulations were imposed by federal, state and local government; and there was, in general, an increased cost of doing business. Store labor costs were increasing due to increases in the minimum wage, wage hikes and more fringe benefits as well as many other factors such as adding service items like gas, deli and prepared foods. The operators needed to attract and hold customers on a daily basis; Sunday openings were increasing. Marginal stores and marginal items were rooted out.

By 1976, stores selling gasoline were profitable and the numbers were growing. There was a competitive battle in gasoline as seen by the number of stores offering gasoline -- the average margin dropped while the average gallons went up. As the major oil companies withdrew from the marketing portion of the business, convenience stores were becoming a more and more significant source of petroleum product sales.

While there was an increasing number of stores, the average number of households served by individual stores dropped. The higher level of saturation and increased competition led to fewer customers per store; therefore, stores remodeled and refixtured to attract a higher volume rather than building new stores. Utility costs were high, but they continued to stay open 24 hours more often than not.

As the rate of inflation accelerated in the late 1970s, significant sales increases were necessary to maintain the trend of real growth in the industry. The growth in the number of customer visits outpaced the growth in number of stores. This trend reflected the frequency of fast food sales including sandwiches, coffee, and frozen novelties.

The convenience store industry continued to grow; and the impact of increased competition, higher energy costs, new store expenses, and higher labor expenses reduced profits as a percentage of sales. The increase in labor as a percentage of sales absorbed the improved gross margin and emphasized the continued need for employee productivity both in the store and at the staff level.

By the end of the 1970s, sales gains were realized due to inflation, gasoline, new stores and increased real volume per store. Store closings were attributed to older physical plants, changing location patterns, and higher breakeven points due to the inflation in new store investment and the increasing employment of capital in areas such as fast food equipment.

Over 80 percent of the stores constructed were equipped with gas selling facilities; significant numbers of companies were building all of their stores with gas facilities. The increasing volume per store, coupled with the growing number of stores with gas, increased the importance of convenience stores as a marketer of oil and gas products.

The smaller chains reported having significantly higher sales per customer which would be expected since several were superette operations, located in smaller towns with less customer traffic, and often not as heavily promoting fast food and coffee sales. The larger chains were volume oriented. The two patterns presented opportunities for different merchandising strategies since the large chains were merchandising for increased transaction value while the smaller chains sought to increase the number of transactions.

Operators were making the stores more capital and labor intensive with the addition of microwaves, fountain drinks, and fryers as they expanded into higher margin product lines. The increased gross margin dollars generated by these products were weighed carefully against the associated incremental capital and labor costs. The trend toward 24-hour operation reflected the need to maximize utilization of the facility. As the industry moved into more fast foods, this equipment required a high level of maintenance and servicing. To service and clean equipment can result in a third-shift person whether the store is open or not.

In 1980, the slowdown in the number of new stores was inflation related. There was less money available, interest rates remained high, and stores increased capital requirements. Faced with a slowing economy, higher breakeven points made it even more difficult to justify opening new units. Instead, many operators were investing in remodeling existing locations to take advantage of lower rental rates.

Higher rental rates reflected both the increased dollar investment in land and building as well as the considerably high constraints being written into leases to reflect the high interest rates and inflation premium demanded by investors. A sizable portion of the industry's profit was derived from bargain rents on existing stores.

In 1981, economic recession and high interest rates dampened growth. High interest rates, high rental costs, heavy initial capital requirements and the general sluggishness of the economy all resulted in higher break-even points and a continuing trend toward remodeling existing convenience store locations rather than toward committing funds to the opening of outlets.

By mid 1982, the economy was experiencing the worst economic recession since World War II. Oil supplies were in excess of demand and reduced prices and profits throughout the oil/gasoline industry.

In food retailing, super warehouse stores doing over one million dollars per week in sales were shaking up the grocery industry. In gasoline, grocery, and fast food there was increased activity in mergers and acquisitions and redeployment of assets.

As economic recovery progressed, gasoline usage increased but remained below the levels of the 1970s. Sales in gasoline service stations fell, due to falling prices and demand that had not kept up with supply in recent years.

Food retailers continued to struggle with the influx of new store formats--super warehouse stores, gourmet stores, super convenience stores, hypermarkets, fast food restaurants inside convenience stores, gasoline pumpers with small convenience stores and more.

The convenience store industry was getting into new technology related to gasoline, check-out and banking. Industry attention moved to improved operations, margins and cost control. Merchandising became the key ingredient for the successful operation of convenience stores. Merchandising programs have the two-fold objective of increasing store traffic and increasing the average sale per customer.

There was a continued reduction in the opening of new stores and an increase in the investment required for a new store. Acquisitions increased as a way to increase store growth. The increase in the cost of land for the new rural store reflected the saturation of the urban market. Companies continued to look to the rural market for store growth with a resultant increase in the price for attractive real estate. The substantial increases in the cost of both land and store construction reflected the competitiveness for the prime location. Annual sales for new stores needed to exceed the averages for existing stores by a sizable amount to insure the recovery of the investment.

Operating costs continued to rise faster than selling prices. Corporate acquisitions and mergers reached the highest level of activity in over 50 years. Sky-high insurance costs, underground storage tank liabilities and consumer group pressures regarding alcoholic beverages and adult magazines as well as the increased and changing competition, a changing labor force and the uncertain opportunities of new technology all affected the industry.

Labor was becoming the largest expense component of the selected expense profile and represented a large factor in the reduction in the percentage of pretax profit. Regional differences in labor markets became especially acute as the convenience store industry increased services offered and stayed open for extended hours. Some stores turned to increased automation--Electronic Funds Transfer, Automated Teller Machines, and Scanning.

Today, outside forces, such as a prolonged drought in the summer of 1989 and increased awareness of the environment, have affected the industry. New Environmental Protection Agency underground storage tank regulations are making it more costly to operate a convenience store. In addition, industry concerns, such as inventory shrinkage, employee shortages and turnover, and operating regulations, have made it become increasingly important to reexamine the concept of convenience and the strategies for operating in an increasingly competitive environment.

PRESENTATION OF DATA

As stated before, historical series presented in the following pages were compiled from data found in each year's State of the Convenience Store Industry report. Some series may present historical figures as far back as 1972 while others may go back just a few years.

In addition to aggregate industry averages, figures by company size are also presented where available. The following chart shows what is meant by "Company Size":

Company Size	Number of Stores
A	1 - 10
B	11 - 50
C	51 - 200
D	201 - 500
E	Over 500

I. NACS Members

TABLE I-1

TOTAL NACS MEMBERS

	Number Of Members	Number of Stores Represented by NACS Members	Total Number of Convenience Stores*
1989	1,353	57,603	70,200
1988	1,338	57,298	69,200
1987	1,312	53,638	67,500
1986	1,349	48,869	64,000
1985	1,141	45,828	61,000
1984	1,038	41,357	57,300
1983	946	36,929	54,400
1982	921	32,415	51,200
1981	886	38,808	47,900
1980	799	33,695	44,100
1979	658	30,154	40,100
1978	555	26,863	36,300
1977	536	26,500	32,200
1976	501	25,900	30,200
1975	472	25,700	28,500
1974	394	24,100	26,600
1973	395	24,000	24,000
1972	360	19,000	21,600

*(In the United States, greater then 1,000 square feet)

Figure I-1
Number of Stores Represented by NACS Membership

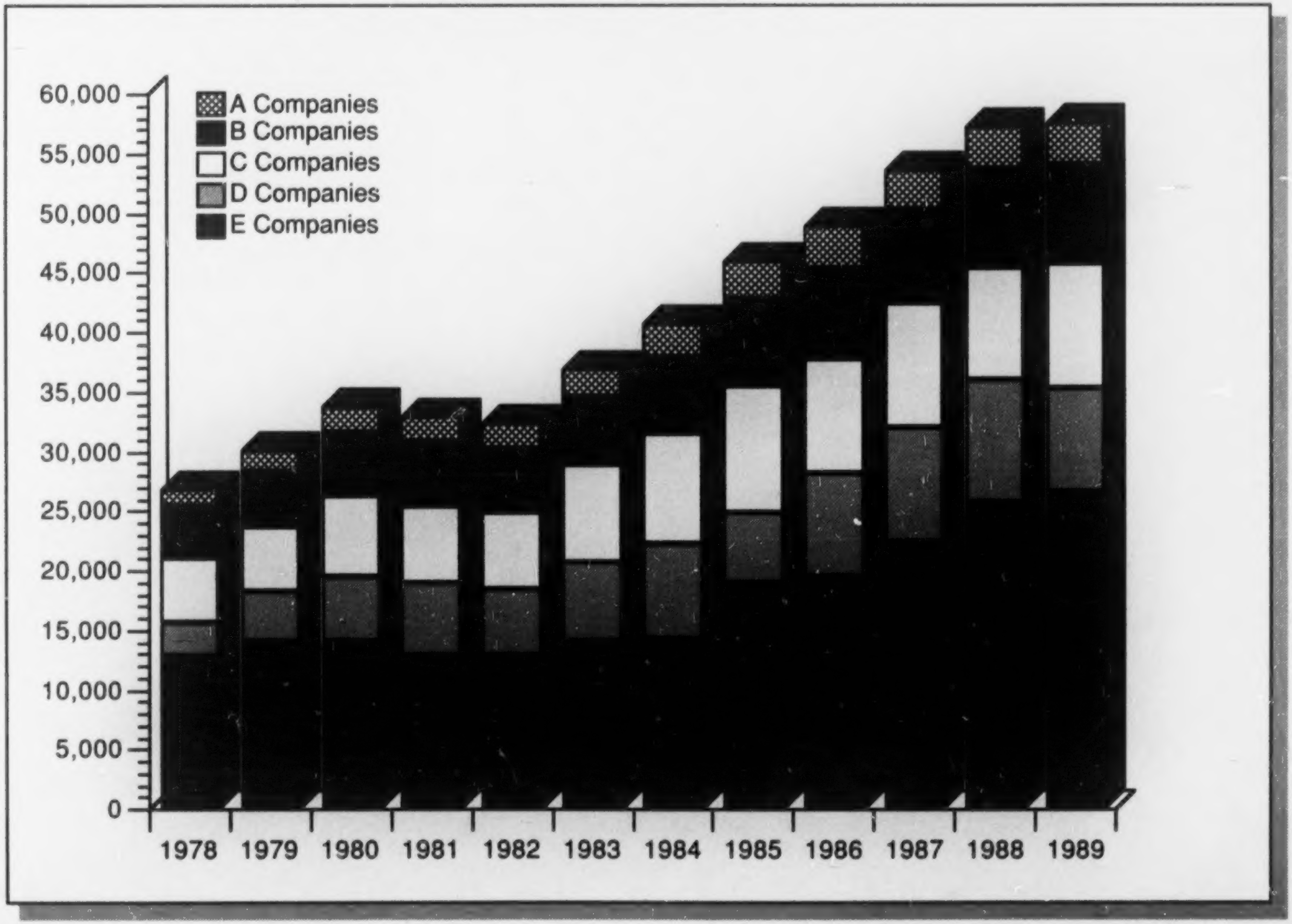


TABLE I-2

NACS MEMBERS BY COMPANY SIZE

AND

NUMBER OF STORES REPRESENTED BY THE MEMBER CATEGORY

	A COMPANIES		B COMPANIES		C COMPANIES		D COMPANIES		E COMPANIES	
	Number Of Members	Number of Stores	Number Of Members	Number of Stores	Number Of Members	Number of Stores	Number Of Members	Number of Stores	Number Of Members	Number of Stores
1989	807	3,453	388	8,461	110	10,318	28	8,702	20	26,669
1988	806	3,550	375	8,348	106	9,349	34	10,304	17	25,747
1987	790	3,452	365	7,821	112	10,332	31	9,570	14	22,463
1986	843	3,476	364	7,679	105	9,545	25	8,636	12	19,533
1985	665	3,058	342	7,257	105	10,668	18	5,943	11	18,902
1984	606	2,768	305	6,524	96	9,221	23	7,917	8	14,297
1983	568	2,380	264	5,717	86	8,168	19	6,642	9	14,022
1982	590	2,235	234	5,241	73	6,466	15	5,561	9	12,912
1981	547	2,082	242	5,387	73	6,414	16	6,053	8	12,872
1980	464	2,068	232	5,372	77	6,805	17	5,341	9	14,109
1979	378	1,825	194	4,695	63	5,422	14	4,066	9	14,146
1978	300	1,403	181	4,361	56	5,372	10	2,891	8	12,836

II. Convenience Store Industry Sales & Profits

TABLE II-1

TOTAL INDUSTRY SALES

	Total Sales (BIL $)	Percent Change
1989	$67.7	10.6%
1988	$61.2	2.7%
1987	$59.6	10.6%
1986	$53.9	4.9%
1985	$51.4	12.7%
1984	$45.6	9.6%
1983	$41.6	15.9%
1982	$35.9	15.1%
1981	$31.2	27.3%
1980	$24.5	31.0%
1979	$18.7	36.5%
1978	$13.7	34.3%
1977	$10.2	20.0%
1976	$8.5	19.7%
1975	$7.1	12.7%
1974	$6.3	23.5%
1973	$5.1	21.4%
1972	$4.2	16.7%
1971	$3.6	38.5%
The following are estimates:		
1970	$2.6	18.2%
1969	$2.2	29.4%
1968	$1.70	21.4%
1967	$1.40	16.7%
1966	$1.20	21.2%
1965	$0.99	22.2%
1964	$0.81	20.9%
1963	$0.67	19.6%
1962	$0.56	16.7%
1961	$0.48	20.0%
1960	$0.40	5.3%
1959	$0.38	8.6%
1958	$0.35	6.1%
1957	$0.33	

TABLE II-2

TOTAL INDUSTRY

MERCHANDISE SALES

	Merchandise Sales (BIL $)	Percent Change	Percent of Total Sales
1989	$40.6	3.6%	60.0%
1988	$39.2	0.3%	64.1%
1987	$39.1	8.6%	65.6%
1986	$36.0	8.4%	66.8%
1985	$33.2	13.3%	64.6%
1984	$29.3	13.6%	64.3%
1983	$25.8	8.9%	62.0%
1982	$23.7	9.7%	66.0%
1981	$21.6	22.0%	69.2%
1980	$17.7	22.9%	72.2%
1979	$14.4	28.6%	77.0%
1978	$11.2	30.2%	81.8%
1977	$8.6	14.7%	84.3%
1976	$7.5	13.6%	88.2%
1975	$6.6		93.0%

TABLE II-3

TOTAL INDUSTRY

GASOLINE SALES

	Gas Sales (BIL $)	Percent Change	Percent of Total Sales
1989	$27.1	23.2%	40.0%
1988	$22.0	7.3%	35.9%
1987	$20.5	14.5%	34.4%
1986	$17.9	-1.6%	33.2%
1985	$18.2	11.7%	35.4%
1984	$16.3	3.2%	35.7%
1983	$15.8	29.5%	38.0%
1982	$12.2	27.1%	34.0%
1981	$9.6	41.2%	30.8%
1980	$6.8	58.1%	27.8%
1979	$4.3	72.0%	23.0%
1978	$2.5	56.2%	18.2%
1977	$1.6	60.0%	15.7%
1976	$1.0	100.0%	11.8%
1975	$0.5		7.0%

Figure II-1
Convenience Store Industry Merchandise and Gasoline Sales
1975-1989

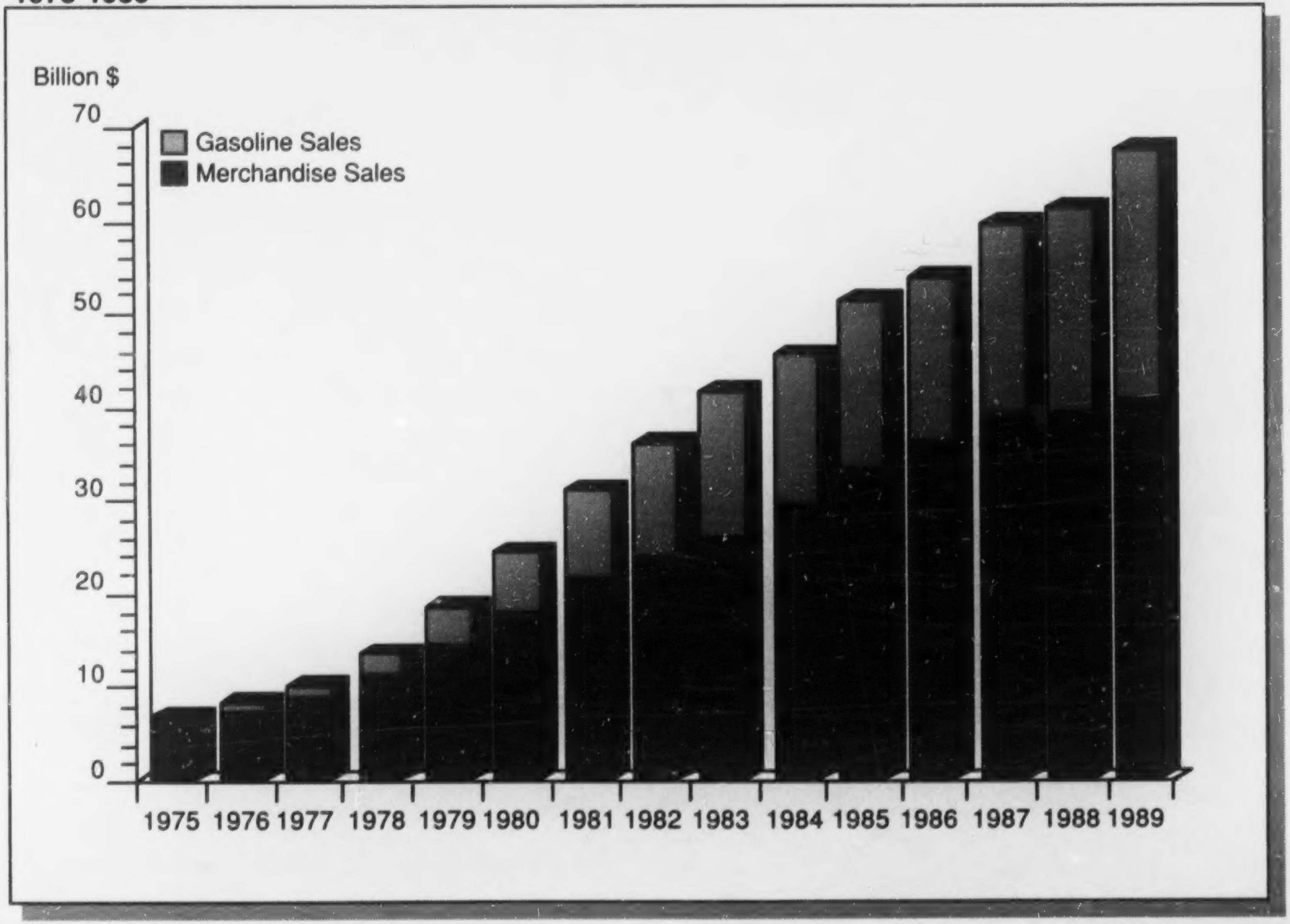


TABLE II-4

INDUSTRY AVERAGE

GROSS PROFIT MARGIN AS A PERCENT OF SALES

	Merchandise	Gasoline	Average
1989	32.1 %	11.7 %	21.8 %
1988	36.4 %	11.5 %	26.2 %
1987	35.9 %	10.6 %	24.4 %
1986	35.5 %	11.2 %	25.1 %
1985	32.2 %	7.3 %	22.8 %
1984	32.0 %	6.0 %	21.6 %
1983	31.5 %	5.0 %	20.7 %
1982	30.1 %	4.5 %	20.8 %
1981	31.8 %	4.2 %	22.9 %
1980	30.2 %	6.0 %	22.8 %
1979	32.4 %	10.5 %	27.6 %
1978	31.3 %	7.8 %	27.4 %
1977	33.7 %	8.1 %	29.8 %
1976	30.9 %	8.6 %	28.3 %
1975	29.6 %	8.8 %	
1974	29.7 %	11.2 %	
1973	27.1 %	15.1 %	
1972	28.9 %		

TABLE II-5

INDUSTRY AVERAGE

PRE-TAX PROFIT AS A PERCENT OF TOTAL SALES

1989	0.4 %
1988	1.9 %
1987	2.2 %
1986	2.6 %
1985	2.7 %
1984	3.1 %
1983	2.2 %
1982	2.0 %
1981	2.8 %
1980	2.6 %
1979	3.2 %
1978	3.0 %
1977	2.7 %
1976	3.1 %
1975	3.2 %
1974	4.1 %
1973	2.9 %
1972	2.7 %
1971	3.3 %

Figure II-2
Average Gross Profit Margin and Average Pretax Profit Margin as a Percentage of Sales

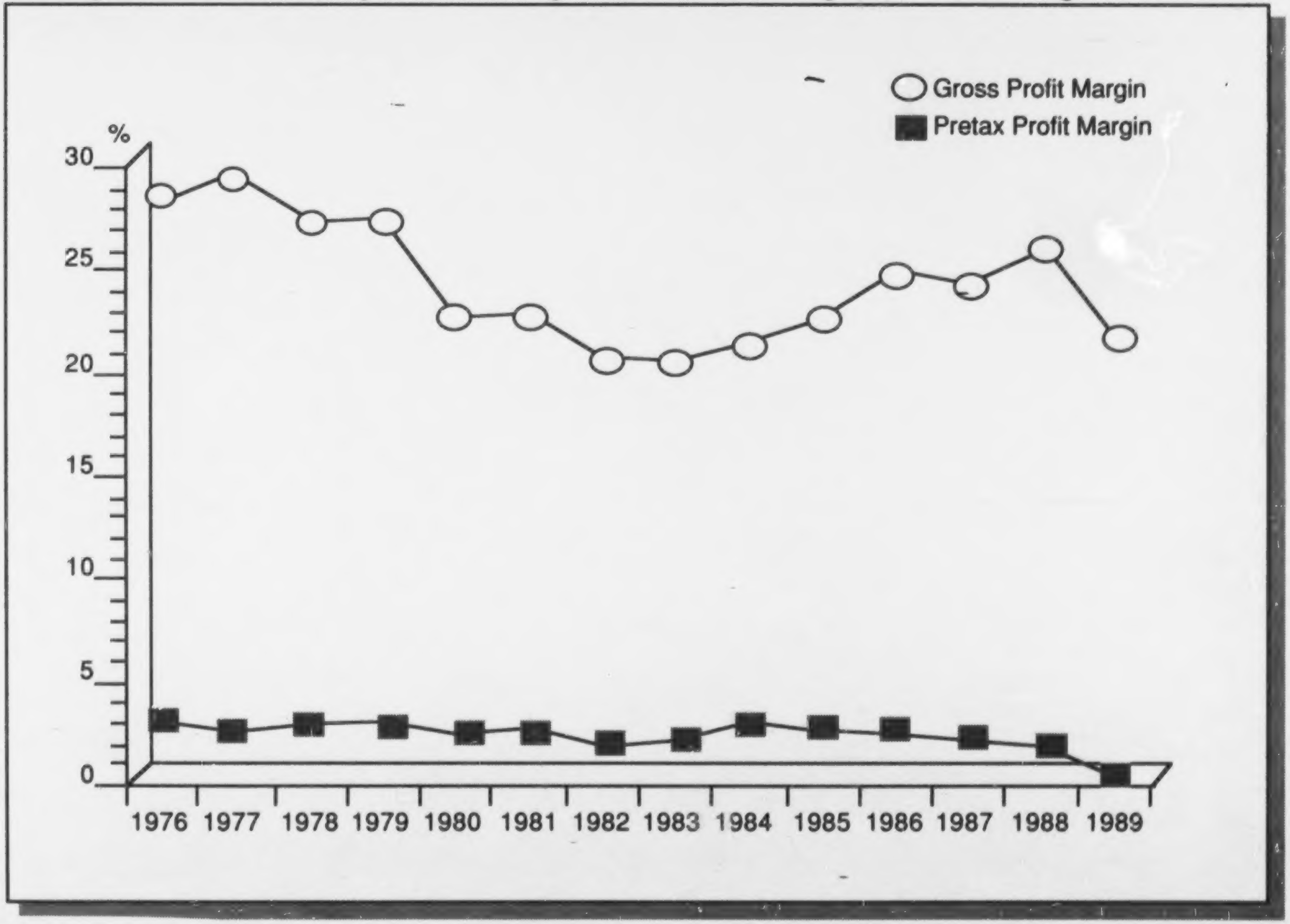


TABLE II-6

PRE-TAX PROFIT AS A PERCENT OF TOTAL SALES BY COMPANY SIZE

	A	B	C	D	E
1989	1.4 %	1.1 %	1.9 %	-0.4 %	-1.1 %
1988	1.8 %	1.8 %	2.2 %	1.8 %	1.8 %
1987	2.3 %	2.9 %	2.5 %	1.7 %	2.4 %
1986	2.5 %	3.3 %	2.4 %	2.0 %	3.0 %
1985	2.1 %	1.4 %	1.7 %	2.5 %	3.2 %
1984	2.4 %	1.7 %	1.8 %	2.3 %	3.3 %
1983	2.4 %	1.5 %	2.1 %	1.7 %	2.6 %
1982	2.6 %	3.4 %	2.4 %	1.8 %	1.5 %
1981		3.8 %	2.1 %	3.0 %	3.0 %
1980		3.6 %	2.5 %	2.6 %	2.6 %
1979		3.0 %	2.6 %	3.9 %	3.0 %
1978		2.8 %	2.5 %	4.0 %	2.7 %
1977		2.5 %	2.1 %	3.7 %	2.4 %

TABLE II-7

INDUSTRY AVERAGE

BEFORE TAX PROFITS

	Before Tax Profits (MIL $)	Percent Change
1989	$271	-76.7%
1988	$1,163	-11.4%
1987	$1,312	-6.3%
1986	$1,400	0.9%
1985	$1,388	5.0%
1984	$1,322	44.5%
1983	$915	27.4%
1982	$718	-17.8%
1981	$874	37.4%
1980	$636	

III. Convenience Store Industry Sales & Profits Per Store

TABLE III-1

AVERAGE YEARLY STORE SALES (MERCHANDISE AND GASOLINE)

	Average Yearly Store Sales Merchandise	Percent Change	Average Yearly Store Sales Gasoline	Percent Change
1989	$578,000	1.9%	$595,000	10.4%
1988	$567,000	-2.1%	$539,000	5.9%
1987	$579,000	2.7%	$509,000	9.0%
1986	$564,000	3.7%	$467,000	-13.8%
1985	$544,000	6.5%	$542,000	-4.7%
1984	$511,000	7.8%	$568,900	1.9%
1983	$474,000	2.4%	$558,500	8.5%
1982	$463,000	2.9%	$514,600	10.9%
1981	$450,000	14.2%	$463,900	21.9%
1980	$394,000	11.0%	$380,700	39.9%
1979	$355,000	12.0%	$272,200	24.5%
1978	$317,000	13.8%	$218,600	21.4%
1977	$278,600	9.0%	$180,000	46.8%
1976	$255,600	6.9%	$122,600	43.9%
1975	$239,000	6.6%	$85,200	
1974	$224,300	4.4%		
1973	$214,850	6.1%		
1972	$202,500	0.5%		
1971	$201,400	4.4%		
1970	$193,000	4.3%		
1969	$185,000	0.9%		
The following are estimates:				
1968	$183,333	3.5%		
1967	$177,083	1.2%		
1965	$175,000	2.1%		
1962	$171,429	3.9%		
1960	$165,000	1.9%		
1957	$162,000			

TABLE III-2

AVERAGE YEARLY MERCHANDISE SALES PER STORE

BY COMPANY SIZE

	B	Percent Change	C	Percent Change	D	Percent Change	E	Percent Change
1989	$401,000	-0.5%	$509,000	15.2%	$400,000	-31.9%	$615,000	4.2%
1988	$403,000	8.6%	$442,000	-1.8%	$587,000	18.3%	$590,000	-5.4%
1987	$371,000	-9.7%	$450,000	-3.4%	$496,000	10.7%	$624,000	0.8%
1986	$411,000	3.5%	$466,000	6.2%	$448,000	-4.7%	$619,000	6.5%
1985	$397,000	-2.7%	$439,000	1.9%	$470,000	7.8%	$581,000	7.2%
1984	$408,000	10.3%	$431,000	-2.0%	$436,000	15.3%	$542,000	6.1%
1983	$370,000	1.4%	$440,000	2.6%	$378,000	-0.5%	$511,000	2.6%
1982	$365,000	14.4%	$429,000	13.8%	$380,000	7.3%	$498,000	0.6%
1981	$319,000	10.8%	$377,000	-0.3%	$354,000	-7.6%	$495,000	22.2%
1980	$288,000	1.1%	$378,000	17.0%	$383,000	9.4%	$405,000	10.4%
1979	$285,000	-2.1%	$323,000	3.9%	$350,000	13.6%	$367,000	14.0%
1978	$291,000		$311,000		$308,000		$322,000	

TABLE III-3

AVERAGE WEEKLY MERCHANDISE SALES PER STORE

	Average	Percent Change
1989	$11,115	1.8%
1988	$10,918	-2.0%
1987	$11,140	2.7%
1986	$10,850	3.7%
1985	$10,460	6.4%
1984	$9,830	7.8%
1983	$9,120	2.5%
1982	$8,900	2.8%
1981	$8,654	14.2%
1980	$7,577	11.0%
1979	$6,827	12.0%
1978	$6,096	

TABLE III-4

AVERAGE WEEKLY MERCHANDISE SALES PER STORE BY COMPANY SIZE

	B	Percent Change	C	Percent Change	D	Percent Change	E	Percent Change
1989	$7,712	-0.4%	$9,788	15.2%	$7,602	-32.6%	$11,827	4.2%
1988	$7,743	8.6%	$8,494	-1.9%	$11,281	18.2%	$11,354	-5.4%
1987	$7,130	-9.7%	$8,660	-3.5%	$9,540	10.8%	$12,000	0.8%
1986	$7,900	3.4%	$8,970	6.3%	$8,610	-4.8%	$11,900	6.5%
1985	$7,640	-2.7%	$8,440	1.8%	$9,040	7.9%	$11,170	7.2%
1984	$7,850	10.3%	$8,290	-2.0%	$8,380	15.3%	$10,420	6.0%
1983	$7,120	1.4%	$8,460	2.5%	$7,270	-0.5%	$9,830	2.6%
1982	$7,020	14.4%	$8,250	13.8%	$7,310	7.4%	$9,580	0.7%
1981	$6,135	10.8%	$7,250	-0.3%	$6,807	-7.6%	$9,515	22.2%
1980	$5,538	1.1%	$7,269	17.0%	$7,365	9.4%	$7,788	10.4%
1979	$5,481	-2.1%	$6,212	3.9%	$6,731	13.6%	$7,058	14.0%
1978	$5,596		$5,981		$5,923		$6,192	

TABLE III-5

AVERAGE MERCHANDISE SALE PER CUSTOMER

1989	$2.29
1988	$1.83
1987	$2.03
1986	$1.98
1985	$2.07
1984	$2.04
1983	$2.00
1982	$1.99
1981	$2.05
1980	$1.90
1979	$1.52
1978	$1.36
1977	$1.47
1976	$1.24 **
1975	$1.23 **
1974	$1.14 **
1973	$1.07 **
1972	$1.14 **
1971	$1.07 **
1970	$0.94 **
1969	$0.87 **

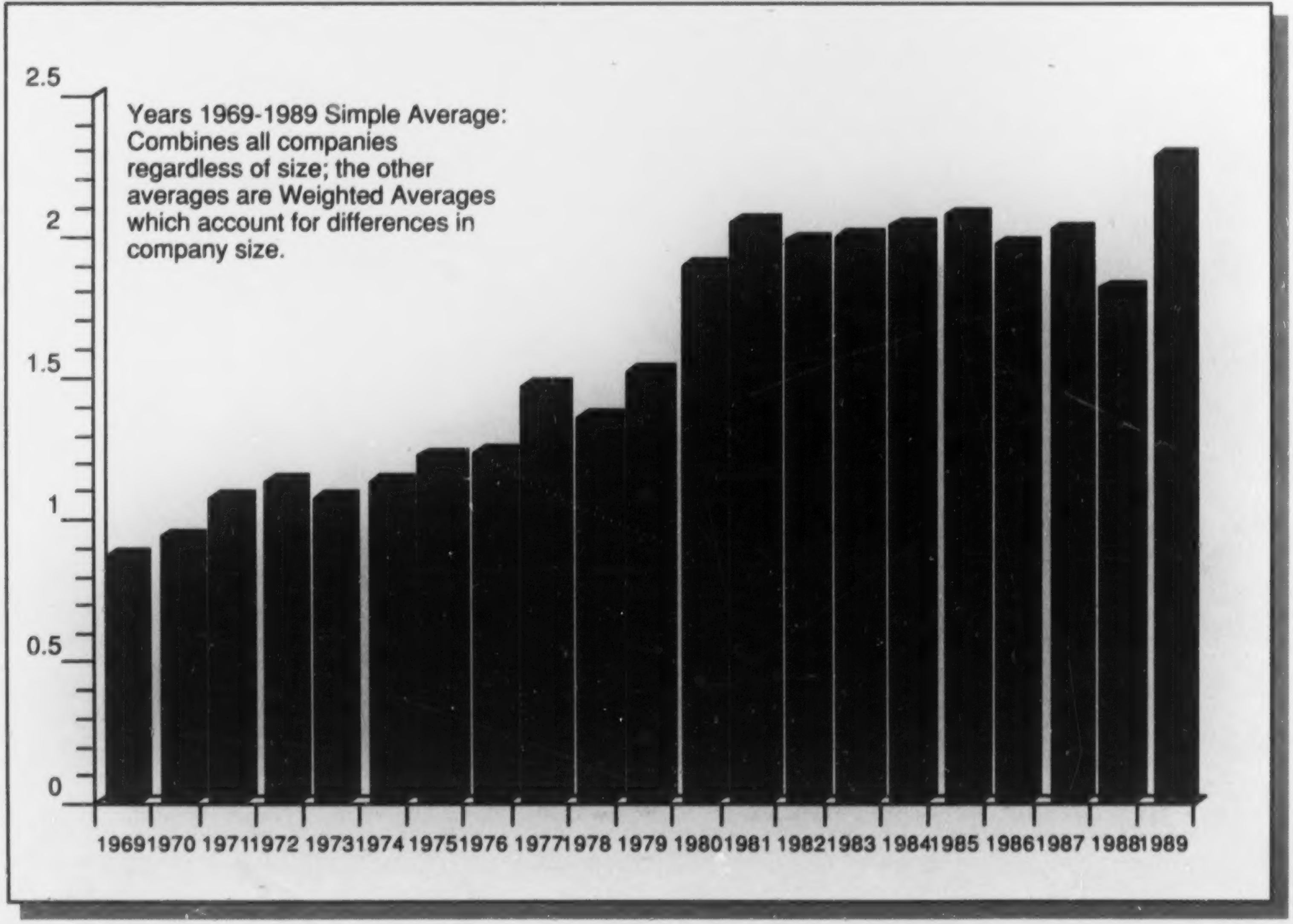
**Simple Average: Combines all companies regardless of size; the other averages are Weighted Averages which account for differences in company size

TABLE III-6

AVERAGE MERCHANDISE SALE PER CUSTOMER
BY COMPANY SIZE

	B	C	D	E
1989	$2.09	$2.10	$2.45	$2.30
1988	$2.19	$1.96	$2.04	$1.69
1987	$2.37	$1.96	$2.27	$1.93
1986	$2.54	$2.02	$1.93	$1.96
1985	$2.40	$2.22	$2.14	$1.91
1984	$2.69	$2.04	$1.98	n/a
1983	$2.18	$1.89	$1.99	$2.09
1982	$2.55	$1.81	$1.97	$2.03
1981	$1.92	$1.77	$1.90	$2.15
1980	$1.82	$1.56	$1.72	$2.00
1979	$1.66	$1.48	$1.65	$1.50
1978	$1.61	$1.34	$1.52	$1.26

Figure III-1
Average Merchandise Sale Per Customer



Years 1969-1989 Simple Average: Combines all companies regardless of size; the other averages are Weighted Averages which account for differences in company size.

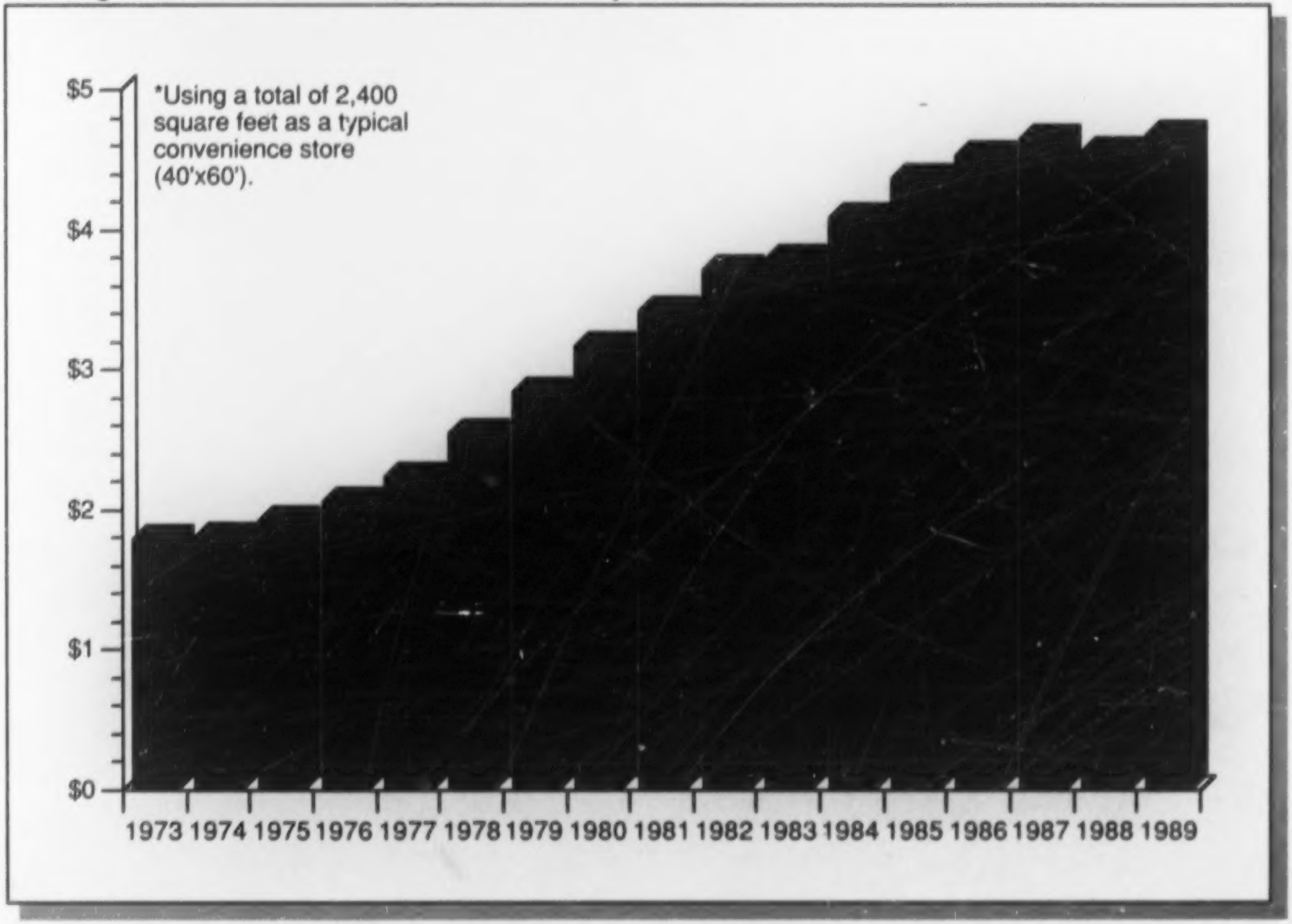
TABLE III-7

AVERAGE MERCHANDISE SALES PER WEEK PER SQUARE FOOT**

1989	4.68
1988	$4.55
1987	$4.64
1986	$4.52
1985	$4.36
1984	$4.09
1983	$3.79
1982	$3.71
1981	$3.41
1980	$3.16
1979	$2.84
1978	$2.54
1977	$2.23
1976	$2.05
1975	$1.92
1974	$1.80
1973	$1.79

**USING A TOTAL OF 2,400 SQUARE FEET AS A TYPICAL CONVENIENCE STORE (40' X 60')

Figure III-2
Average Merchandise Sale Per Week Per Square Foot



*Using a total of 2,400 square feet as a typical convenience store (40'x60').

TABLE III-8

PROFITS BEFORE TAX PER STORE

	Profits Before Tax per Store	Percent Change
1989	$3,900	-76.8%
1988	$16,800	-12.5%
1987	$19,200	-12.3%
1986	$21,900	-3.9%
1985	$22,800	-1.3%
1984	$23,100	37.5%
1983	$16,800	13.5%
1982	$14,800	-18.7%
1981	$18,200	26.4%
1980	$14,400	

Summary Profit and Loss Information

TABLE III-9

SUMMARY PROFIT AND LOSS INFORMATION

(As a Percent of Total Sales)

	1989	1988	1987	1986	1985
Merchandise Sales	48.9 %	61.0 %	66.0 %	48.0 %	46.0 %
Gas Sales	51.1 %	39.0 %	34.0 %	52.0 %	54.0 %
Total Sales	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %
Cost of Goods Sold	78.2 %	73.8 %	75.6 %	74.9 %	77.2 %
Gross Profit	21.8 %	26.2 %	24.2 %	25.1 %	22.8 %
Direct Store Operating Expenses	17.2 %	19.9 %	18.2 %	18.3 %	16.9 %
Store Operating Profit	4.6 %	6.3 %	6.2 %	6.8 %	5.9 %
Corporate G & A	-3.1 %	-3.9 %	-4.2 %	-4.3 %	-3.5 %
Interest Expense	2.0 %	N/A	N/A	N/A	N/A
Other Income	1.2 %	1.8 %	1.5 %	1.7 %	1.2 %
Other Expense	-0.3 %	-2.3 %	-1.3 %	-1.5 %	-0.9 %
Pretax Profit	0.4 %	1.9 %	2.2 %	2.6 %	2.7 %

TABLE III-10

SUMMARY PROFIT AND LOSS INFORMATION
B COMPANIES

(As a Percent of Total Sales)

	1989	1988	1987	1986	1985
Merchandise Sales	35.5 %	36.0 %	43.0 %	39.0 %	36.0 %
Gas Sales	64.5 %	64.0 %	57.0 %	61.0 %	64.0 %
Total Sales	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %
Cost of Goods Sold	82.3 %	81.4 %	80.5 %	79.3 %	83.5 %
Gross Profit	17.7 %	18.6 %	19.5 %	20.7 %	16.5 %
Direct Store Operating Expenses	14.4 %	13.6 %	14.3 %	14.4 %	12.9 %
Store Operating Profit	3.3 %	5.1 %	5.2 %	6.3 %	3.6 %
Corporate G & A	-3.1 %	-3.6 %	-3.2 %	-3.4 %	-2.5 %
Interest Expense	0.3	N/A	N/A	N/A	N/A
Other Income	1.3 %	0.8 %	1.3 %	0.8 %	0.6 %
Other Expense	-0.1 %	-0.4 %	-0.4 %	-0.5 %	-0.3 %
Pretax Profit	1.1 %	1.8 %	2.9 %	3.3 %	1.4 %

TABLE III-11

SUMMARY PROFIT AND LOSS INFORMATION
C COMPANIES

(As a Percent of Total Sales)

	1989	1988	1987	1986	1985
Merchandise Sales	47.0 %	46.0 %	54.0 %	56.0 %	47.0 %
Gas Sales	53.0 %	54.0 %	46.0 %	44.0 %	53.0 %
	-----	-----	-----	-----	-----
Total Sales	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %
Cost of Goods Sold	78.7 %	78.7 %	77.5 %	77.6 %	80.4 %
	-----	-----	-----	-----	-----
Gross Profit	21.3 %	21.3 %	22.5 %	22.4 %	19.6 %
Direct Store Operating Expenses	16.6 %	16.5 %	16.8 %	17.6 %	14.7 %
	-----	-----	-----	-----	-----
Store Operating Profit	4.7 %	4.8 %	5.7 %	4.8 %	4.9 %
Corporate G & A	-2.9 %	-3.4 %	-3.7 %	-3.5 %	-3.4 %
Interest Expense	0.9 %	N/A	N/A	N/A	N/A
Other Income	1.4 %	1.3 %	1.3 %	2.0 %	1.0 %
Other Expense	-0.4 %	-0.5 %	-0.8 %	-0.9 %	-0.8 %
	-----	-----	-----	-----	-----
Pretax Profit	1.9 %	2.2 %	2.5 %	2.4 %	1.7 %
	=====	=====	=====	=====	=====

TABLE III-12

SUMMARY PROFIT AND LOSS INFORMATION
D COMPANIES

(As a Percent of Total Sales)

	1989	1988	1987	1986	1985
Merchandise Sales	42.8 %	54.0 %	58.0 %	50.0 %	51.0 %
Gas Sales	57.2 %	46.0 %	42.0 %	50.0 %	49.0 %
Total Sales	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %
Cost of Goods Sold	79.8 %	77.6 %	76.6 %	76.7 %	79.9 %
Gross Profit	20.2 %	22.4 %	23.4 %	23.3 %	20.1 %
Direct Store Operating Expenses	15.4 %	16.8 %	17.9 %	16.8 %	15.1 %
Store Operating Profit	4.8 %	5.6 %	5.5 %	6.6 %	5.0 %
Corporate G & A	-3.2 %	-3.2 %	-4.2 %	-4.8 %	-2.7 %
Interest Expense	2.1 %	N/A	N/A	N/A	N/A
Other Income	1.0 %	0.7 %	1.3 %	1.6 %	0.8 %
Other Expense	-0.8 %	-0.4 %	-0.9 %	-1.4 %	-0.6 %
Pretax Profit	-0.4 %	2.7 %	1.7 %	2.0 %	2.5 %

TABLE III-13

SUMMAR PROFIT AND LOSS INFORMATION
E COMPANIES

(As a Percent of Total Sales)

	1989	1988	1987	1986	1985
Merchandise Sales	63.8 %	71.0 %	70.0 %	45.0 %	50.0 %
Gas Sales	36.2 %	29.0 %	30.0 %	55.0 %	50.0 %
	-----	-----	-----	-----	-----
Total Sales	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %
Cost of Goods Sold	74.0 %	73.4 %	74.1 %	72.3 %	74.3 %
	-----	-----	-----	-----	-----
Gross Profit	26.0 %	26.6 %	25.9 %	27.7 %	25.7 %
Direct Store Operating Expenses	20.7 %	20.2 %	19.0 %	19.9 %	18.7 %
	-----	-----	-----	-----	-----
Store Operating Profit	5.3 %	6.3 %	6.9 %	7.8 %	7.0 %
Corporate G & A	-3.1 %	-3.9 %	-4.4 %	-4.5 %	-4.1 %
Interest Expense	4.2 %	N/A	N/A	N/A	N/A
Other Income	1.0 %	1.9 %	1.4 %	1.6 %	1.5 %
Other Expense	-0.1 %	-2.5 %	-1.7 %	-1.9 %	-1.2 %
	-----	-----	-----	-----	-----
Pretax Profit	-1.1 %	1.8 %	2.2 %	3.0 %	3.2 %
	=====	=====	=====	=====	=====

TABLE III-14

BALANCE SHEET INFORMATION, 1988

	B	C	D	E	Average
Current Assets:					
Inventory	20.8 %	17.7 %	14.6 %	11.9 %	13.2 %
Other Current Assets	21.8 %	13.5 %	11.2 %	7.9 %	9.3 %
Total Current Assets	42.6 %	31.2 %	25.9 %	19.8 %	22.5 %
Net Property, Plant & Equipment	52.0 %	61.7 %	58.0 %	47.8 %	50.7 %
Other Assets	5.4 %	7.1 %	16.1 %	32.4 %	26.8 %
Total Assets	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %
Current Liabilities:					
Accounts Payable	23.2 %	17.7 %	16.0 %	12.6 %	13.9 %
Other Current Liabilities	17.0 %	11.8 %	8.6 %	11.3 %	11.2 %
Total Current Liabilities	40.2 %	29.5 %	24.6 %	23.9 %	25.1 %
Long Term Debt	25.7 %	21.3 %	34.6 %	59.6 %	51.4 %
Other Long Term Liabilities	1.2 %	12.3 %	9.9 %	6.6 %	7.4 %
Net Worth	32.9 %	36.9 %	30.9 %	9.9 %	16.1 %
Total Liabilities & Net Worth	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %
Pre-Tax Return on Assets	7.6 %	4.0 %	7.9 %	3.8 %	4.5 %
Pre-Tax Return on Net Worth	29.9 %	24.8 %	33.6 %	N/A	N/A %

TABLE III-15

BALANCE SHEET INFORMATION, 1989

Current Assets:	B	C	D	E	Average
Inventory	16.1 %	15.8 %	12.5 %	7.5 %	12.6 %
Other Current Assets	15.7 %	13.0 %	10.8 %	5.8 %	11.2 %
Total Current Assets	31.8 %	28.8 %	23.3 %	13.3 %	23.8 %
Net Property, Plant & Equipment	58.4 %	65.5 %	63.8 %	44.2 %	56.0 %
Other Assets	9.8 %	5.7 %	12.9 %	42.5 %	20.2 %
Total Assets	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %
Current Liabilities:					
Accounts Payable	17.0 %	13.8 %	15.4 %	21.6 %	18.0 %
Other Current Liabilities	16.0 %	13.2 %	24.9 %	6.6 %	12.7 %
Total Current Liabilities	33.0 %	27.0 %	40.3 %	28.2 %	30.7 %
Long Term Debt	26.1 %	27.1 %	35.7 %	72.1 %	44.2 %
Other Long Term Liabilities	6.6 %	7.0 %	4.8 %	8.0 %	6.5 %
Net Worth	34.3 %	38.9 %	19.2 %	-8.3 %	18.6 %
Total Liabilities & Net Worth	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %
Sales to Assets	5.0 %	4.8 %	3.1 %	1.8 %	3.6 %
Accounts Payable to Inventory	1.1 %	0.9 %	1.2 %	2.9 %	1.7 %
Pre-Tax Return on Assets	7.7 %	9.0 %	-1.1 %	-3.8 %	3.0 %
Pre-Tax Return on Net Worth	31.3 %	27.7 %	-10.5 %	N/A	N/A

IV. Convenience Store Development

TABLE IV-1

STORE GROWTH ANALYSIS

	New Stores Opened		Acquired Stores		Total Increase		Stores Sold Or Closed		Net Increase		Total Number
	(%)	Number	(%)	Number	(%)	Number	(%)	Number	(%)	Number	
1989	4.1 %	2,878	2.8 %	1,966	6.9 %	4,844	-5.4 %	(3,791)	1.5 %	1,038	70,200
1988	5.4 %	3,737	7.0 %	4,844	12.4 %	8,581	-9.9 %	(6,851)	2.5 %	1,688	69,200
1987	6.4 %	4,320	2.7 %	1,823	9.1 %	6,143	-3.7 %	(2,498)	5.4 %	3,456	67,500
1986	6.4 %	4,096	2.6 %	1,664	9.0 %	5,760	-4.4 %	(2,816)	4.6 %	2,806	64,000
1985	8.0 %	4,880	3.6 %	2,196	11.6 %	7,076	-5.1 %	(3,111)	6.5 %	3,725	61,000
1984	7.3 %	4,183	2.9 %	1,662	10.2 %	5,845	-4.8 %	(2,750)	5.4 %	2,938	57,300
1983	7.6 %	4,134	2.7 %	1,469	10.3 %	5,603	-4.1 %	(2,230)	6.2 %	3,174	54,400
1982	10.2 %	5,222	0.8 %	410	11.0 %	5,632	-4.1 %	(2,099)	6.9 %	3,305	51,200
1981	11.2 %	5,365	1.7 %	814	12.9 %	6,179	-4.3 %	(2,060)	8.6 %	3,793	47,900
1980	11.9 %	5,248	1.8 %	794	13.7 %	6,042	-3.8 %	(1,676)	9.9 %	3,970	44,100
1979	13.8 %	5,534	1.9 %	762	15.7 %	6,296	-5.2 %	(2,085)	10.5 %	3,812	40,100
1978	14.4 %	5,227	0.6 %	218	15.0 %	5,445	-5.4 %	(1,960)	9.6 %	3,091	36,300
1977	7.8 %	2,512	2.6 %	837	10.4 %	3,349	-4.0 %	(1,288)	6.4 %	1,933	32,200
1976	8.0 %	2,416	1.1 %	332	9.1 %	2,748	-3.9 %	(1,178)	5.2 %	1,482	30,200
1975	9.7 %	2,765	1.2 %	342	10.9 %	3,107	-3.2 %	(912)	7.7 %	2,048	28,500
1974	11.4 %	3,032	2.1 %	559	13.5 %	3,591	-2.7 %	(718)	10.8 %	2,592	26,600
1973	12.2 %	2,928	2.3 %	552	14.5 %	3,480	-3.3 %	(792)	11.2 %	2,419	24,000
The following are estimates:											
1972	13.0 %	2,808	2.1 %	443	15.1 %	3,251	-1.4 %	(296)	13.7 %	2,600	21,600
1971	23.4 %	4,439	3.7 %	701	27.0 %	5,139	-2.5 %	(467)	24.6 %	3,750	19,000
1970	25.7 %	3,924	4.1 %	620	29.8 %	4,543	-2.7 %	(413)	27.1 %	3,250	15,250
1969	23.8 %	2,850	3.8 %	450	27.5 %	3,300	-2.5 %	(300)	25.0 %	2,400	12,000
1968	19.0 %	1,824	3.0 %	288	22.0 %	2,112	-2.0 %	(192)	20.0 %	1,600	9,600
1967	13.6 %	1,086	2.1 %	171	15.7 %	1,257	-1.4 %	(114)	14.3 %	1,000	8,000
1966	15.8 %	1,108	2.5 %	175	18.3 %	1,283	-1.7 %	(117)	16.7 %	1,000	7,000
1965	19.0 %	1,140	3.0 %	180	22.0 %	1,320	-2.0 %	(120)	20.0 %	1,000	6,000
1964	18.1 %	905	2.9 %	143	21.0 %	1,048	-1.9 %	(95)	19.0 %	800	5,000
1963	19.0 %	798	3.0 %	126	22.0 %	924	-2.0 %	(84)	20.0 %	700	4,200
1962	15.8 %	554	2.5 %	88	18.3 %	642	-1.7 %	(58)	16.7 %	500	3,500
1961	19.0 %	570	3.0 %	90	22.0 %	660	-2.0 %	(60)	20.0 %	500	3,000
1960	3.5 %	89	0.6 %	14	4.1 %	103	-0.4 %	(9)	3.7 %	90	2,500
1959	4.5 %	109	0.7 %	17	5.3 %	127	-0.5 %	(12)	4.8 %	110	2,410
1958	4.3 %	99	0.7 %	16	5.0 %	115	-0.5 %	(10)	4.5 %	100	2,300
1957	9.5 %	209	1.5 %	33	11.0 %	242	-1.0 %	(22)	10.0 %	200	2,200
1956	13.6 %	271	2.1 %	43	15.7 %	314	-1.4 %	(29)	14.3 %	250	2,000
1955	43.5 %	762	6.9 %	120	50.4 %	882	-4.6 %	(80)	45.8 %	550	1,750
1954	57.0 %	684	9.0 %	108	66.0 %	792	-6.0 %	(72)	60.0 %	450	1,200
1953	47.5 %	356	7.5 %	56	55.0 %	413	-5.0 %	(38)	50.0 %	250	750
1952											500

Figure IV-1
New Convenience Stores Opened

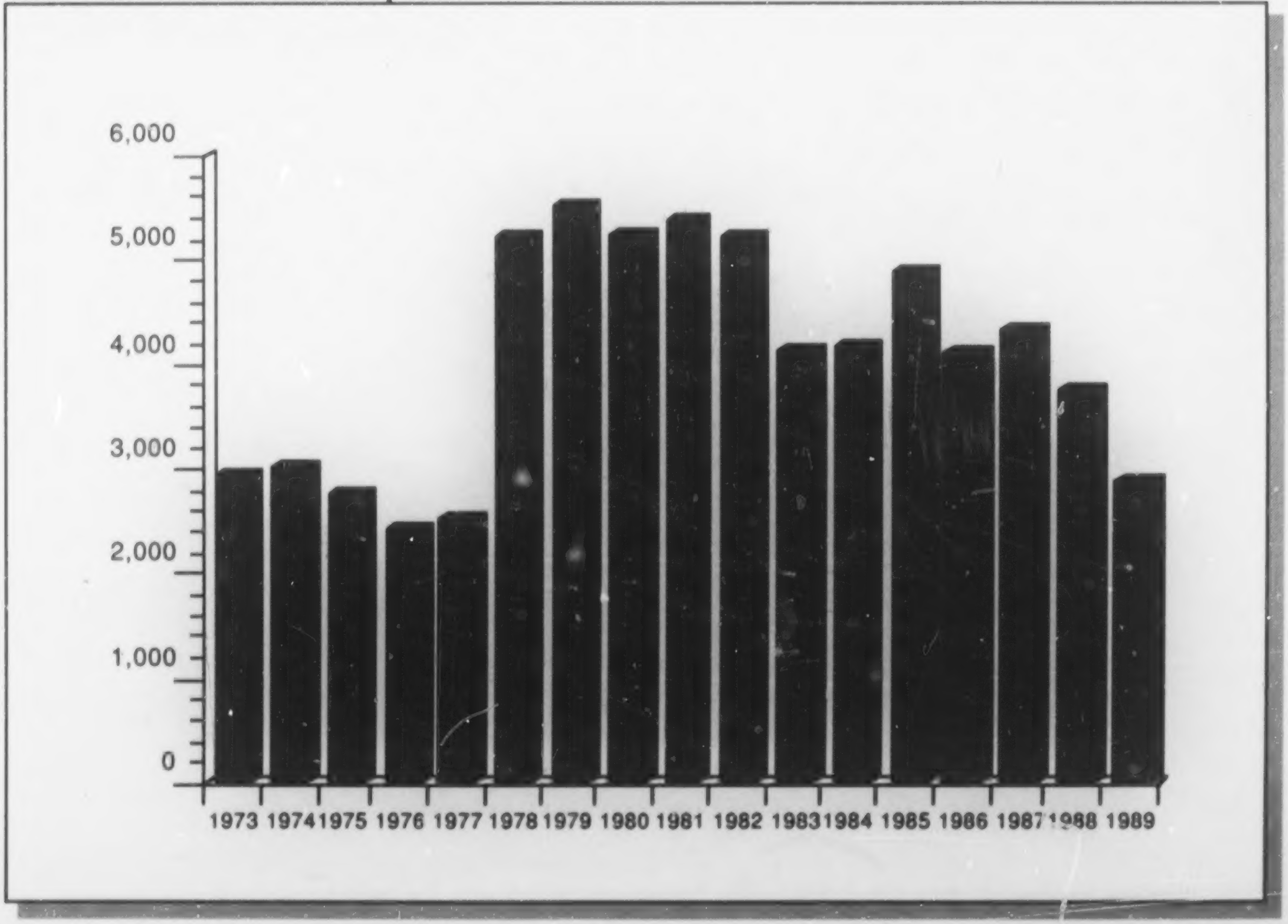


Figure IV-2
Convenience Stores Sold or Closed

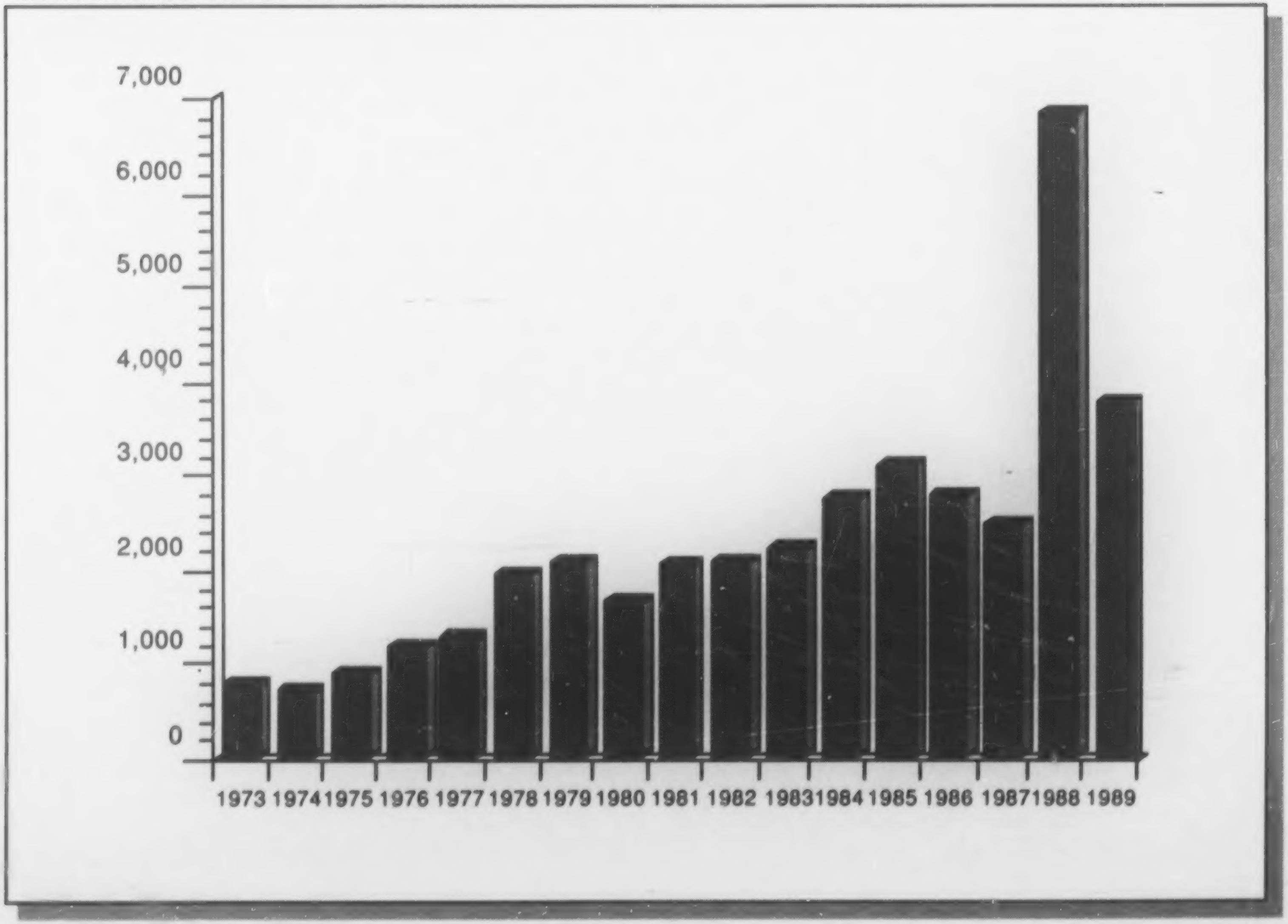


Figure IV-3
Total Number of Convenience Stores

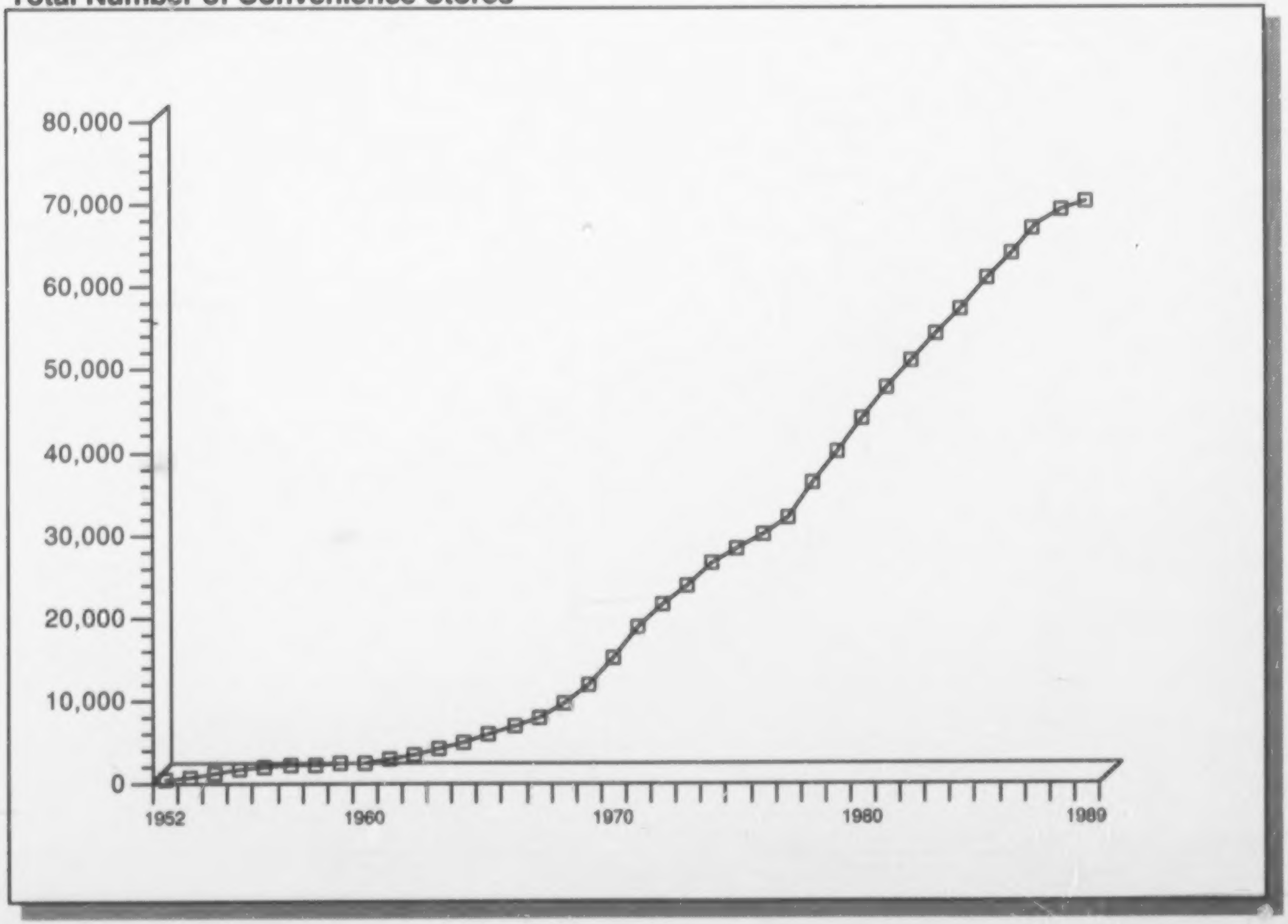


TABLE IV-2

AVERAGE STORE SIZE

	B-E Companies 1987	B-E Companies 1988	A Companies 1987	A Companies 1988	All Companies 1989
Less than 1,000 square feet	6 %	4 %	21 %	7 %	6 %
1,000-2,000	12	15	44	38	13
2,000-3,000	76	79	29	41	72
>3,000	6	2	6	14	9

Figure IV-4
Average Store Size, 1989

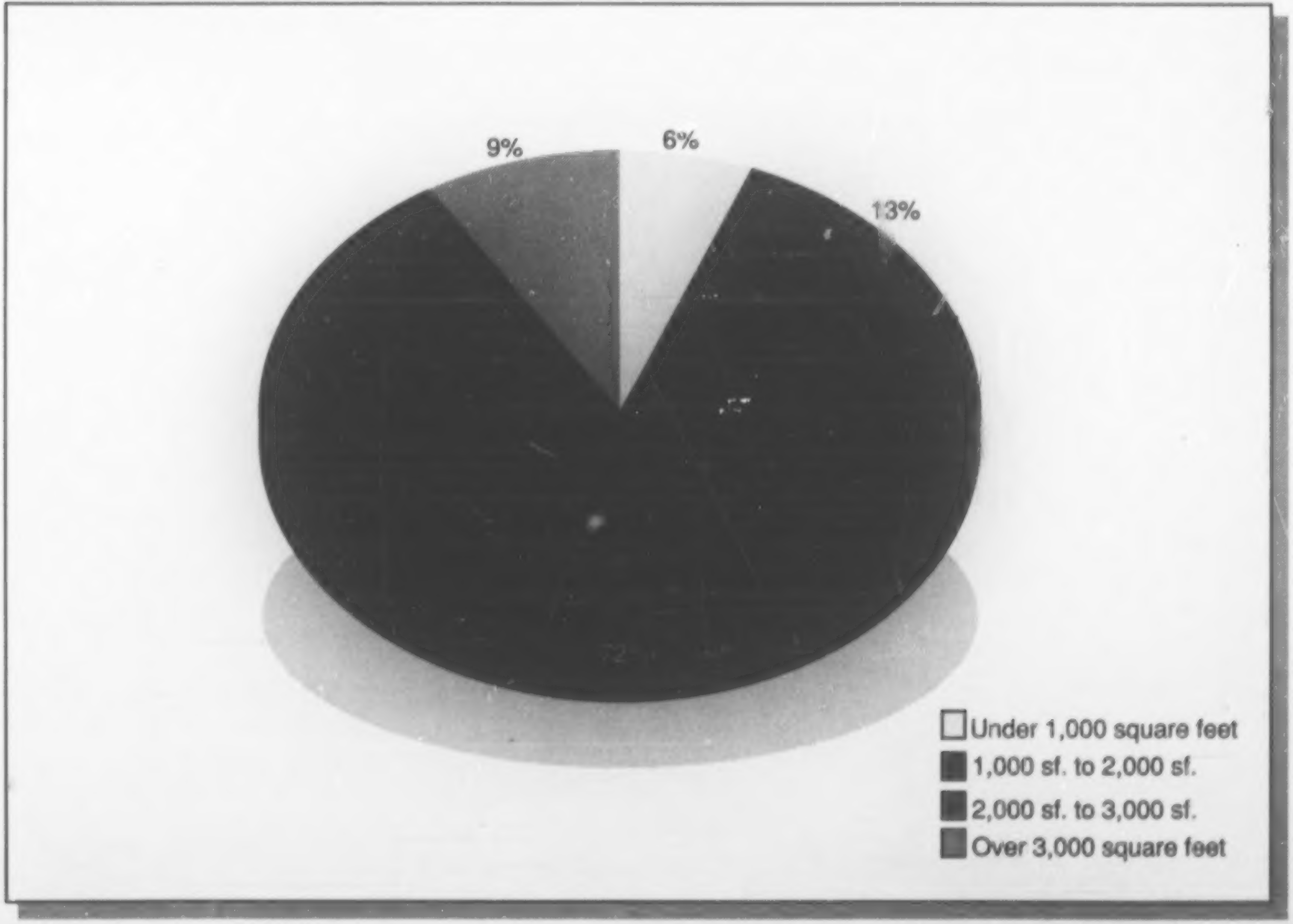


TABLE IV-3

AVERAGE SQUARE FOOTAGE

	New Stores		Existing
	Urban	Rural	Stores
1989	2,600	2,400	2,377
1988	2,614	2,353	2,700
1987	2,876	2,582	2,569
1986	2,845	2,560	2,711
1985	2,558	2,491	2,427
1984	2,530	2,516	2,469
1983	2,574	2,493	2,522
1982	2,551	2,243	2,495
1981			2,373
1980			2,314
1979			2,282

TABLE IV-4

STORES OWNED AND LEASED

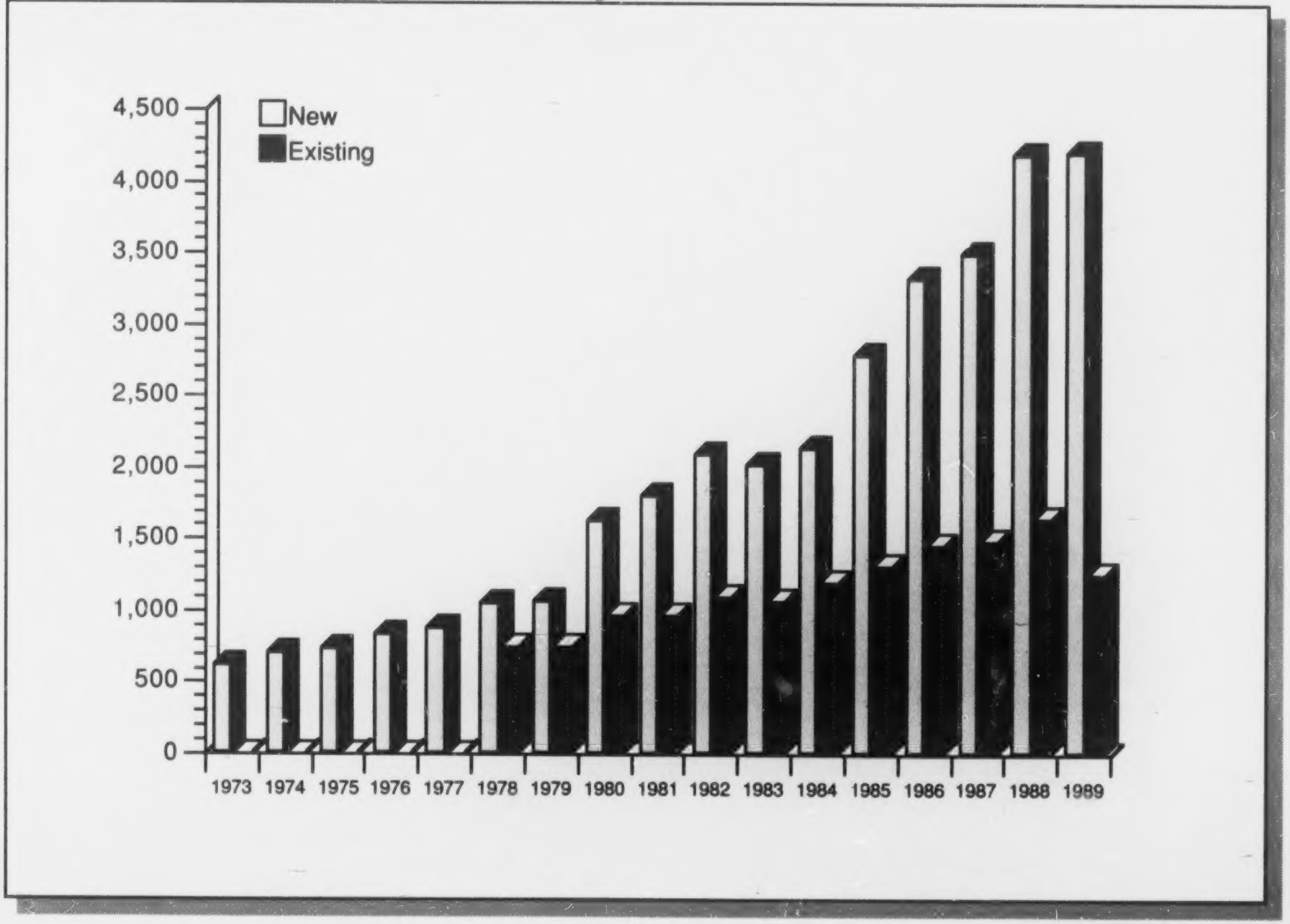
	Existing Stores		New Stores	
	Owned	Leased	Owned	Leased
1989	26 %	74 %	34 %	66 %
1988	28 %	72 %	47 %	53 %
1987	25 %	75 %	31 %	69 %
1986	26 %	74 %	33 %	67 %
1985	23 %	77 %	37 %	63 %
1984	23 %	77 %	49 %	51 %
1983	27 %	73 %	49 %	51 %
1982	22 %	78 %	50 %	50 %

TABLE IV-5

AVERAGE MONTHLY RENT

	Per New Store	Percent Change	Per Existing Store	Percent Change
1989	$4,210	0.3%	$1,263	-23.5%
1988	$4,197	19.9%	$1,652	10.8%
1987	$3,500	5.4%	$1,491	2.4%
1986	$3,321	19.0%	$1,456	10.3%
1985	$2,790	30.1%	$1,320	9.6%
1984	$2,144	6.0%	$1,204	13.2%
1983	$2,022	-3.5%	$1,064	-3.2%
1982	$2,096	16.3%	$1,099	13.2%
1981	$1,802	10.5%	$971	0.7%
1980	$1,631	51.4%	$964	27.2%
1979	$1,077	2.1%	$758	0.9%
1978	$1,055	20.3%	$751	
1977	$877	4.8%		
1976	$837	13.6%		
1975	$737	3.5%		
1974	$712	13.9%		
1973	$625			

Figure IV-5
Average Monthly Rent for New and Existing Stores



V. Investment Required for a New Store

TABLE V-1

INVESTMENT REQUIRED FOR A NEW URBAN STORE

	Land	Building	Equipment				Inventory	Total Investment
			Fast Food Equipment	Gas Equipment	Merchandise Equipment	Total Equipment		
1989	$375,300	$278,200	$33,900	$118,300	$51,700	$203,900	$61,300	$918,700
1988	$350,462	$199,140	$21,297	$84,523	$65,604	$172,054	$51,640	$773,296
1987	$266,000	$181,300	$22,100	$84,900	$64,500	$171,500	$64,000	$682,800
1986	$275,400	$158,300	$19,900	$88,000	$68,300	$176,400	$58,600	$668,600
1985	$212,800	$180,000	$19,000	$65,700	$63,300	$148,000	$56,900	$597,700
1984	$170,200	$149,800	$14,100	$55,100	$61,000	$130,200	$46,000	$496,200
1983	$147,900	$125,300	$14,200	$59,900	$53,600	$127,700	$50,000	$450,900
1982	$133,400	$101,400	$17,900	$46,300	$70,700	$134,900	$47,500	$417,200
1981	$89,900	$101,800	$7,200	$48,800	$51,800	$107,800	$42,300	$343,100
1980	$88,100	$98,200	$8,100	$36,700	$39,200	$84,000	$42,000	$315,500
1979	$79,000	$89,000	$10,500	$36,500	$32,000	$79,000	$42,000	$291,000
1978	$56,500	$72,400	$7,000	$23,800	$29,700	$60,500	$33,000	$225,000
1977	$37,500	$57,700				$37,600	$21,200	$159,900
1976	$31,900	$45,300				$27,000	$16,900	$124,600
1975	$26,000	$41,000				$26,100	$14,700	$110,200
1974	$22,400	$39,100				$24,200	$14,600	$101,300

TABLE V-2

INVESTMENT REQUIRED FOR A NEW RURAL STORE

	Land	Building	Equipment				Inventory	Total Investment
			Fast Food Equipment	Gas Equipment	Merchandise Equipment	Total Equipment		
1989	$179,500	$188,200	$23,100	$103,900	$38,000	$165,000	$43,800	$571,500
1988	$148,086	$156,530	$17,066	$95,187	$62,449	$174,702	$53,397	$532,715
1987	$156,900	$152,800	$17,700	$85,300	$51,500	$154,500	$53,200	$517,400
1986	$141,500	$141,500	$18,500	$89,500	$55,300	$163,300	$50,100	$496,400
1985	$110,800	$118,900	$16,200	$73,700	$48,100	$138,000	$43,100	$410,800
1984	$108,700	$106,900	$9,100	$49,400	$39,300	$97,800	$42,800	$356,200
1983	$89,800	$101,700	$7,700	$50,000	$48,000	$105,700	$45,000	$342,200
1982	$57,100	$91,600	$11,000	$34,600	$38,800	$84,400	$39,100	$272,200

Figure V-1
Total Investment Required for a New Urban Convenience Store

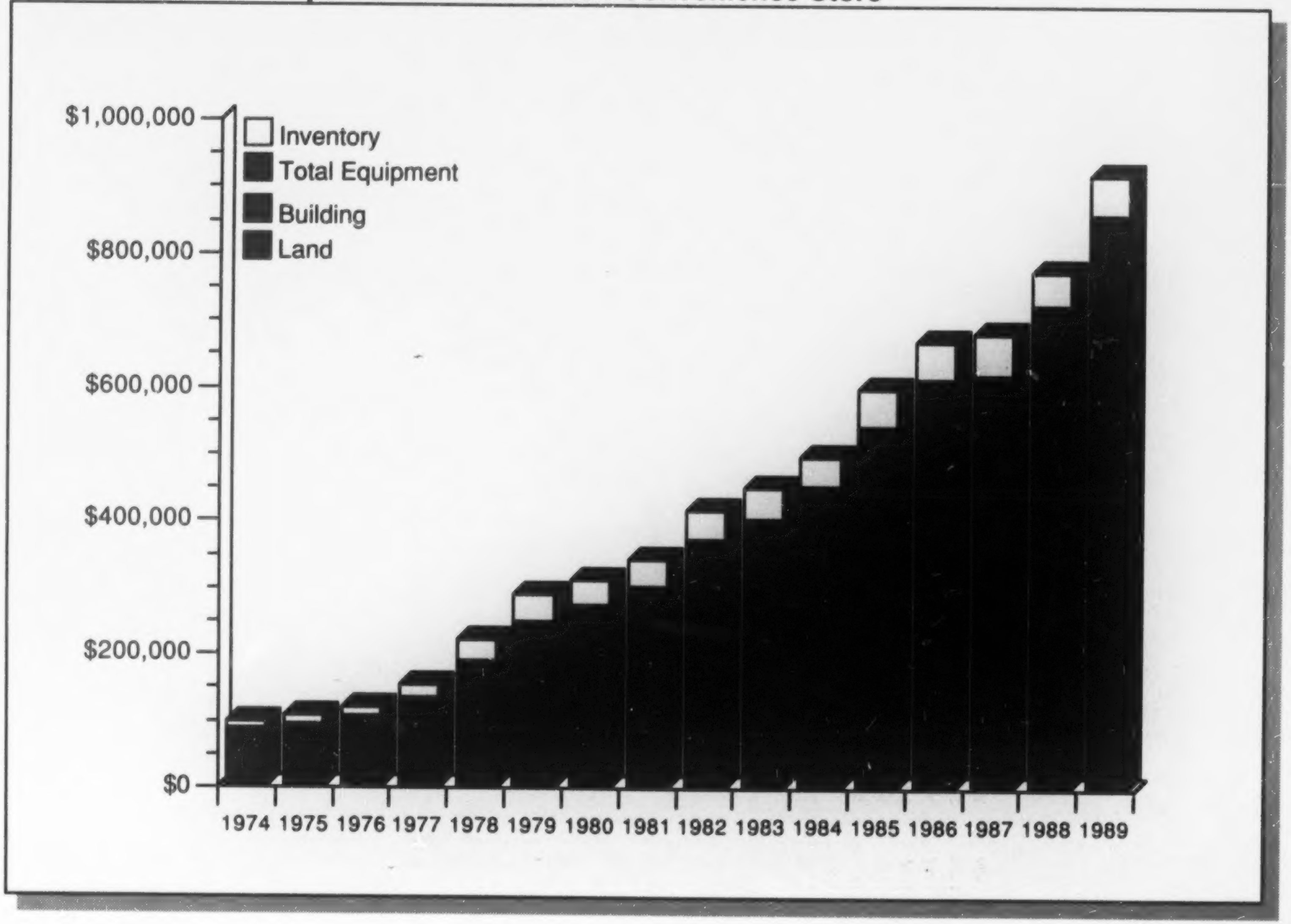


Figure V-2
Total Investment Required for New Rural Convenience Store

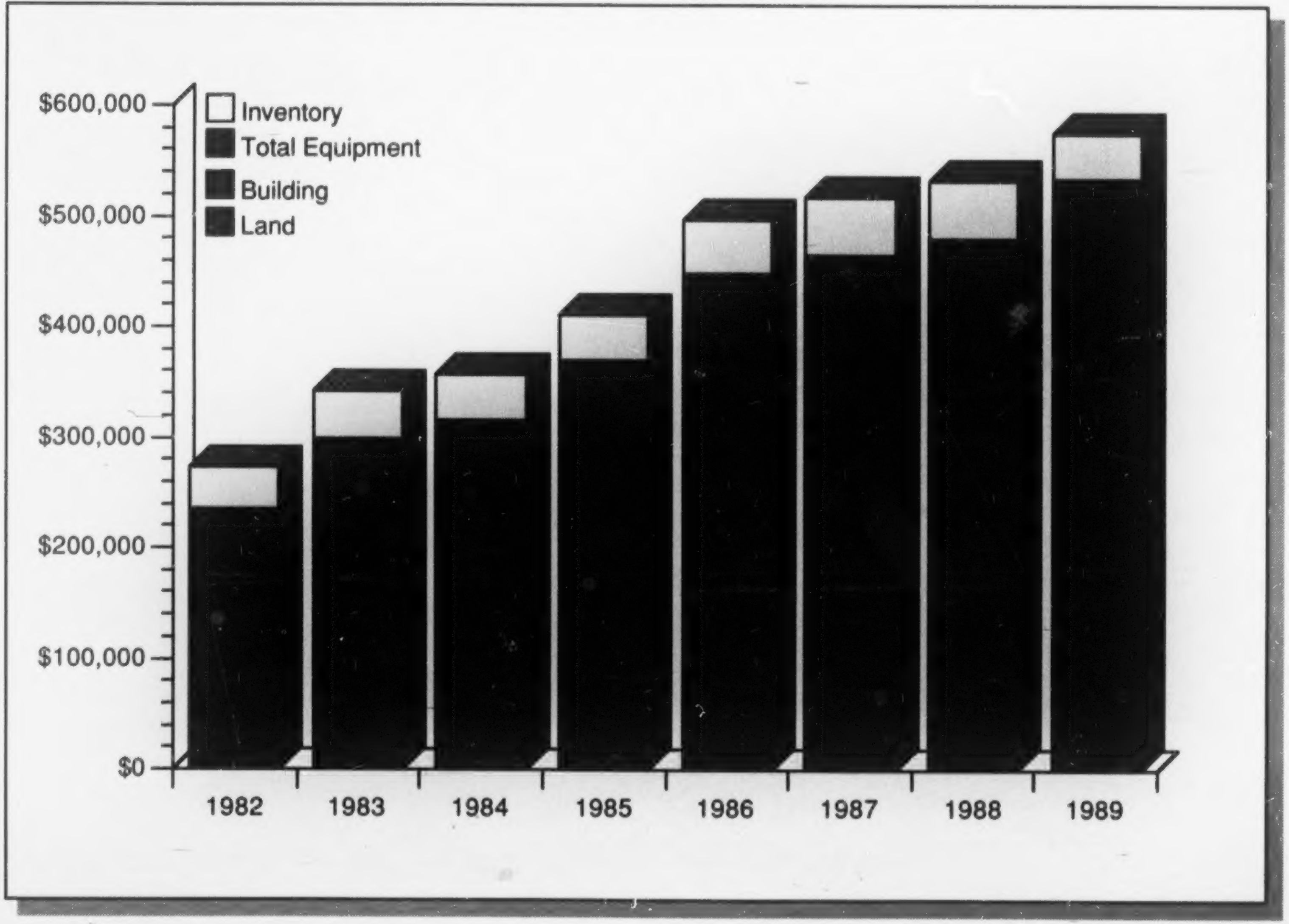


TABLE V-3

EACH COMPONENT OF INVESTMENT AS A PERCENT OF THE TOTAL INVESTMENT REQUIRED FOR A NEW URBAN STORE

	Land	Building	Fast Food Equip	Gas Equip	Merch Equip	Total Equip	Inventory	Total
1989	40.9%	30.3%	3.7%	12.9%	5.6%	22.2%	6.7%	100.0%
1988	45.3%	25.8%	2.8%	10.9%	8.5%	22.2%	6.7%	100.0%
1987	39.0%	26.6%	3.2%	12.4%	9.4%	25.1%	9.4%	100.0%
1986	41.2%	23.7%	3.0%	13.2%	10.2%	26.4%	8.8%	100.0%
1985	35.6%	30.1%	3.2%	11.0%	10.6%	24.8%	9.5%	100.0%
1984	34.3%	30.2%	2.8%	11.1%	12.3%	26.2%	9.3%	100.0%
1983	32.8%	27.8%	3.1%	13.3%	11.9%	28.3%	11.1%	100.0%
1982	32.0%	24.3%	4.3%	11.1%	16.9%	32.3%	11.4%	100.0%
1981	26.2%	29.7%	2.1%	14.2%	15.1%	31.4%	12.3%	100.0%
1980	27.9%	31.1%	2.6%	11.6%	12.4%	26.6%	13.3%	100.0%
1979	27.1%	30.6%	3.6%	12.5%	11.0%	27.1%	14.4%	100.0%
1978	25.1%	32.2%	3.1%	10.6%	13.2%	26.9%	14.7%	100.0%
1977	23.5%	36.1%				23.5%	13.3%	100.0%
1976	25.6%	36.4%				21.7%	13.6%	100.0%
1975	23.6%	37.2%				23.7%	13.3%	100.0%
1974	22.1%	38.6%				23.9%	14.4%	100.0%

TABLE V-4

EACH COMPONENT OF INVESTMENT AS A PERCENT OF THE TOTAL INVESTMENT REQUIRED FOR A NEW RURAL STORE

	Land	Building	Fast Food Equip	Gas Equip	Merch Equip	Total Equip	Inventory	Total
1989	31.4%	32.9%	4.0%	18.2%	6.6%	28.9%	7.7%	100.0%
1988	27.8%	29.4%	3.2%	17.9%	11.7%	32.8%	10.0%	100.0%
1987	30.3%	29.5%	3.4%	16.5%	10.0%	29.9%	10.3%	100.0%
1986	28.5%	28.5%	3.7%	18.0%	11.1%	32.9%	10.1%	100.0%
1985	27.0%	28.9%	3.9%	17.9%	11.7%	33.6%	10.5%	100.0%
1984	30.5%	30.0%	2.6%	13.9%	11.0%	27.5%	12.0%	100.0%
1983	26.2%	29.7%	2.3%	14.6%	14.0%	30.9%	13.2%	100.0%
1982	21.0%	33.7%	4.0%	12.7%	14.3%	31.0%	14.4%	100.0%

VI. Business Costs and Store Expenses

TABLE VI-1

LABOR EXPENSES AS A PERCENTAGE OF MERCHANDISE AND TOTAL SALES PER STORE

	Merchandise	Total	Dollar Amount	Percent Change
1989	12.2 %	7.5 %	$70,516	-21.8%
1988	15.9 %	9.3 %	$90,153	13.7%
1987	13.7 %	7.9 %	$79,323	1.9%
1986	13.8 %	8.2 %	$77,832	13.6%
1985	12.6 %	8.0 %	$68,544	9.9%
1984	12.2 %	7.0 %	$62,342	3.6%
1983	12.7 %	7.5 %	$60,198	0.8%
1982	12.9 %		$59,727	2.9%
1981	12.9 %		$58,050	22.8%
1980	12.0 %		$47,280	11.0%
1979	12.0 %		$42,600	-4.0%
1978	14.0 %		$44,380	15.7%
1977	13.8 %		$38,364	29.4%
1976	11.6 %		$29,650	13.4%
1975	10.9 %		$26,149	15.4%
1974	10.1 %		$22,654	2.4%
1973	10.3 %		$22,130	7.1%
1972	10.2 %		$20,655	0.5%
1971	10.2 %		$20,543	

Figure VI-1
Labor Expenses per Store

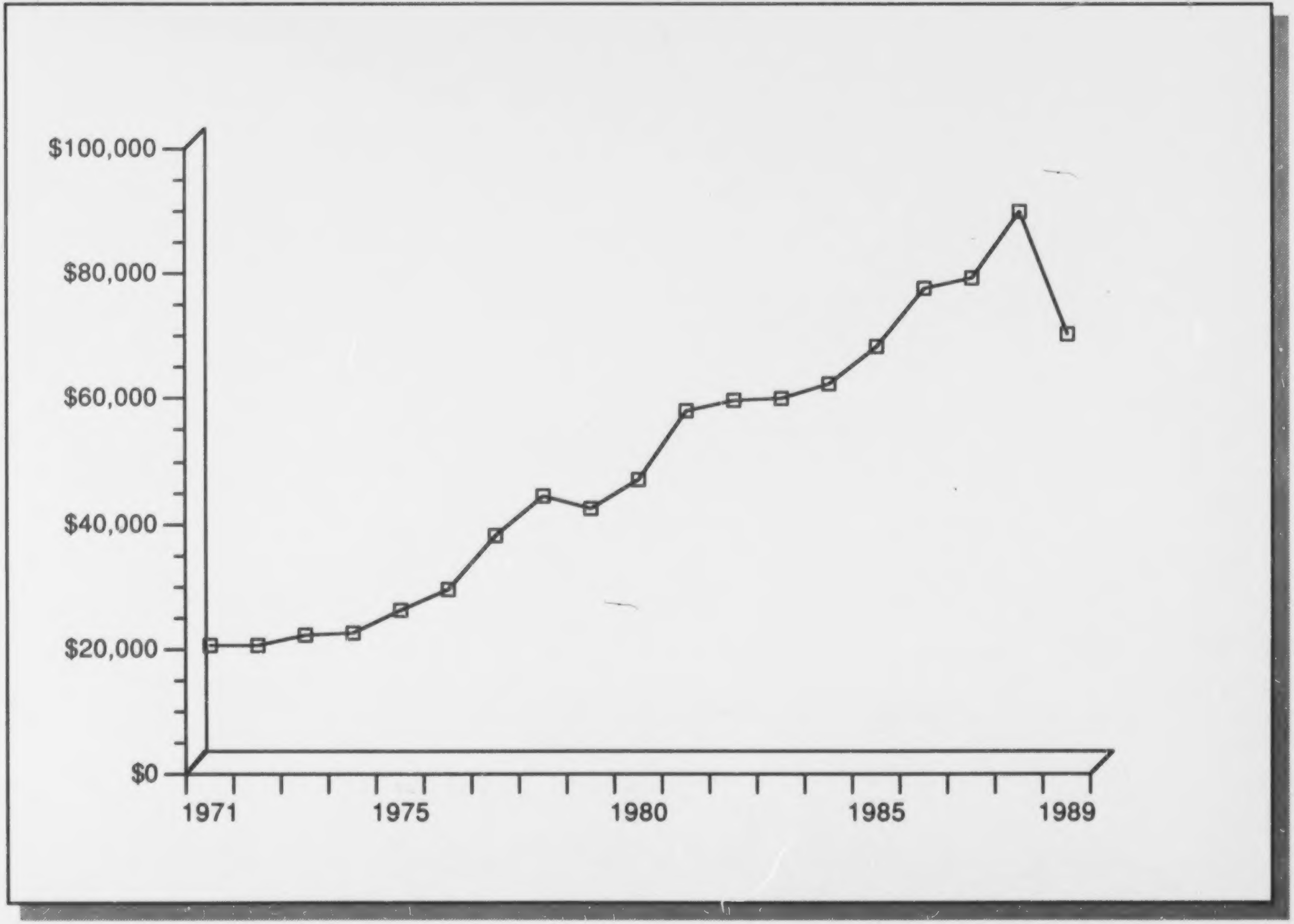


TABLE VI-2

UTILITY EXPENSES AS A PERCENTAGE OF MERCHANDISE AND TOTAL SALES PER STORE

	Merchandise	Total	Dollar Amount	Percent Change
1989	2.8 %	1.7 %	$16,184	-22.9%
1988	3.7 %	2.2 %	$20,979	9.8%
1987	3.3 %	1.9 %	$19,107	5.9%
1986	3.2 %	2.2 %	$18,048	7.0%
1985	3.1 %	1.9 %	$16,864	10.0%
1984	3.0 %	1.8 %	$15,330	1.1%
1983	3.2 %	2.0 %	$15,168	5.7%
1982	3.1 %		$14,353	27.6%
1981	2.5 %		$11,250	19.0%
1980	2.4 %		$9,456	21.1%
1979	2.2 %		$7,810	

Figure VI-2
Utility Expenses Per Store

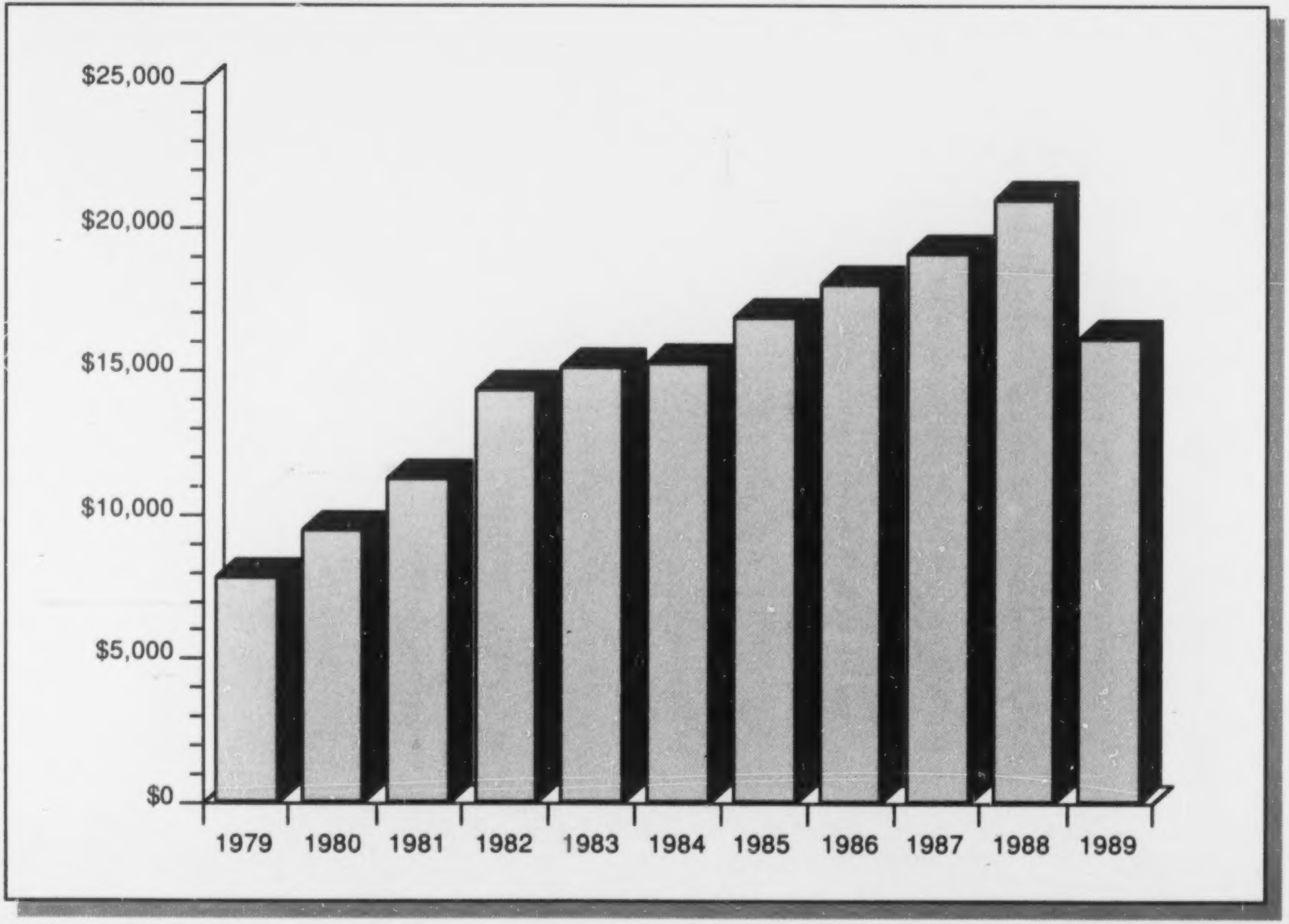


TABLE VI-3

ADVERTISING EXPENSES AS A PERCENTAGE OF MERCHANDISE AND TOTAL SALES PER STORE

	Merchandise	Total	Dollar Amount	Percent Change
1989	0.9 %	0.6 %	$5,202	129.4%
1988	0.4 %	0.3 %	$2,268	-21.7%
1987	0.5 %	0.3 %	$2,895	-14.5%
1986	0.6 %	0.4 %	$3,384	3.7%
1985	0.6 %	0.4 %	$3,264	59.7%
1984	0.4 %	0.3 %	$2,044	7.8%
1983	0.4 %	0.2 %	$1,896	-31.7%
1982	0.6 %		$2,778	54.3%
1981	0.4 %		$1,800	-8.6%
1980	0.5 %		$1,970	38.7%
1979	0.4 %		$1,420	

TABLE VI-4

INTEREST EXPENSE AS A PERCENTAGE OF MERCHANDISE AND TOTAL SALES PER STORE

	Merchandise	Total	Dollar Amount	Percent Change
1989	4.1 %	2.0 %	$23,698	-0.5%
1988	4.2 %	2.3 %	$23,814	87.0%
1987	2.2 %	1.3 %	$12,738	25.5%
1986	1.8 %	1.2 %	$10,152	55.5%
1985	1.2 %	0.8 %	$6,528	27.7%
1984	1.0 %	0.7 %	$5,110	-2.0%
1983	1.1 %	0.5 %	$5,214	87.7%
1982	0.6 %		$2,778	23.5%
1981	0.5 %		$2,250	-4.8%
1980	0.6 %		$2,364	11.0%
1979	0.6 %		$2,130	

Figure VI-3
Interest Expense Per Store

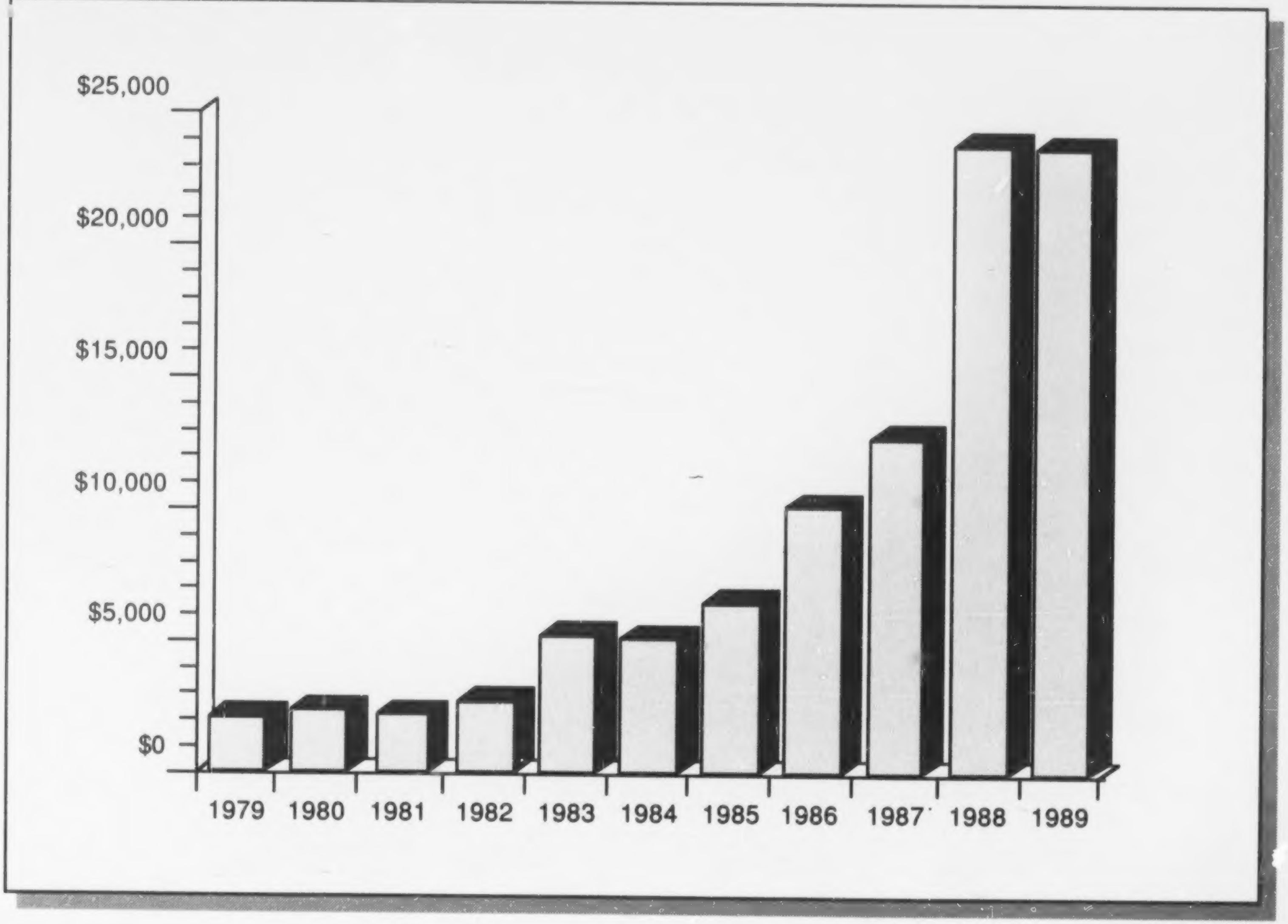


TABLE VI-5

AVERAGE MONTHLY
UTILITY COST
PER STORE

		Percent Change
1989	$1,400	10.0%
1988	$1,273	10.1%
1987	$1,156	-2.9%
1986	$1,190	7.5%
1985	$1,107	9.8%
1984	$1,008	1.0%
1983	$998	9.9%
1982	$908	6.7%
1981	$851	9.8%
1980	$775	13.6%
1979	$682	9.8%
1978	$621	

TABLE VI-6

GENERAL AND ADMINISTRATIVE EXPENSES

AS A PERCENTAGE OF MERCHANDISE AND TOTAL SALES

	Merchandise	Total	Dollar Amount	Percent Change
1989	6.3 %	3.1 %	$36,414	-14.4%
1988	7.5 %	4.2 %	$42,525	-4.6%
1987	7.7 %	4.2 %	$44,583	19.8%
1986	6.6 %	4.3 %	$37,224	12.2%
1985	6.1 %	3.6 %	$33,184	-1.6%
1984	6.6 %	3.9 %	$33,726	7.8%
1983	6.6 %	3.6 %	$31,284	9.0%
1982	6.2 %	3.6 %	$28,706	8.1%
1981	5.9 %	3.9 %	$26,550	27.1%
1980	5.3 %	3.5 %	$20,882	11.0%
1979	5.3 %	3.6 %	$18,815	

TABLE VI-7

GENERAL AND ADMINISTRATIVE EXPENSES
AS A PERCENTAGE OF MERCHANDISE AND TOTAL SALES
BY COMPANY SIZE

	B				C				D				E		
	Mdse.	Total	Dollar Amount	Percent Change	Mdse.	Total	Dollar Amount	Percent Change	Mdse.	Total	Dollar Amount	Percent Change	Mdse.	Total	Dollar Amount
1989	8.8	3.1	$35,288	-15.0%	6.1	2.9	$31,049	-8.8%	7.6	3.3	$30,400	-17.8%	4.9	3.1	$30,135
1988	10.3	3.6	$41,509	39.9%	7.7	3.7	$34,034	11.2%	6.3	4.3	$36,981	-5.6%	7.2	4.4	$42,480
1987	8.0	3.2	$29,680	-10.8%	6.8	3.7	$30,600	4.2%	7.9	4.2	$39,184	28.6%	7.8	4.4	$48,672
1986	8.1	3.4	$33,291	47.1%	6.3	3.5	$29,358	-8.4%	6.8	4.8	$30,464	20.0%	6.6	4.5	$40,854
1985	5.7	2.5	$22,629	-16.0%	7.3	3.4	$32,047	26.0%	5.4	2.7	$25,380	-15.6%	6.1	4.1	$35,441
1984	6.6	3.0	$26,928	-11.2%	5.9	3.0	$25,429	-3.7%	6.9	3.0	$30,084	10.5%	6.8	5.0	$36,856
1983	8.2	3.2	$30,340	40.9%	6.0	3.3	$26,400	11.9%	7.2	3.2	$27,216	-8.2%	6.2	4.1	$31,682
1982	5.9	3.4	$21,535	8.9%	5.5	3.3	$23,595	-20.8%	7.8	3.6	$29,640	41.9%	5.0	3.6	$24,900
1981	6.2	3.0	$19,778	29.6%	7.9	4.4	$29,783	31.3%	5.9	3.4	$20,886	16.0%	4.7	3.9	$23,265
1980	5.3	4.4	$15,264	-18.9%	6.0	3.2	$22,680	30.0%	4.7	2.9	$18,001	14.3%	4.2	3.7	$17,010
1979	6.6	4.2	$18,810	46.9%	5.4	3.4	$17,442	-37.0%	4.5	3.1	$15,750	42.0%	3.9	3.6	$14,313
1978	4.4		$12,804		8.9		$27,679		3.6		$11,088		4.2		$13,524

TABLE VI-8

MERCHANDISE INVENTORY SHRINK AS A PERCENTAGE OF MERCHANDISE SALES

	Average	Average Store Cost Per Year	Percent Change	Average Cost to Industry Per Year	Percent Change
1989	1.2 %	$6,936	-23.5%	$325,200,000	-48.2%
1988	1.6 %	$9,072	20.5%	$627,200,000	23.4%
1987	1.3 %	$7,527	2.7%	$508,300,000	8.6%
1986	1.3 %	$7,332	34.8%	$468,000,000	41.0%
1985	1.0 %	$5,440	33.1%	$332,000,000	41.6%
1984	0.8 %	$4,088	7.8%	$234,400,000	13.6%
1983	0.8 %	$3,792	2.4%	$206,400,000	8.9%
1982	0.8 %	$3,704	-31.4%	$189,600,000	-26.9%
1981	1.2 %	$5,400	14.2%	$259,200,000	22.0%
1980	1.2 %	$4,728	11.0%	$212,400,000	22.9%
1979	1.2 %	$4,260	12.0%	$172,800,000	28.6%
1978	1.2 %	$3,804	24.4%	$134,400,000	42.1%
1977	1.1 %	$3,058	19.6%	$94,600,000	26.1%
1976	1.0 %	$2,556	6.5%	$75,000,000	13.6%
1975	1.0 %	$2,399	7.0%	$66,000,000	
1974	1.0 %	$2,243	-13.0%		
1973	1.2 %	$2,578			

TABLE VI-9

MERCHANDISE INVENTORY SHRINK
AS A PERCENTAGE OF MERCHANDISE SALES
BY COMPANY SIZE
(INDUSTRY AVERAGE)

	A	B	C	D	E
1989	1.9 %	1.4 %	1.2 %	1.1 %	1.1 %
1988	1.4 %	1.2 %	1.0 %	1.2 %	1.8 %
1987	1.4 %	0.9 %	0.8 %	0.9 %	1.7 %
1986	2.0 %	0.8 %	1.3 %	0.9 %	1.6 %
1985	1.5 %	0.9 %	1.3 %	0.7 %	1.1 %
1984	1.4 %	0.9 %	0.8 %	0.6 %	0.9 %
1983	1.0 %	0.8 %	0.6 %	0.4 %	1.4 %
1982	1.2 %	0.8 %	0.6 %	0.4 %	1.4 %
1981	1.5 %	1.2 %	0.8 %	0.8 %	1.6 %
1980	2.0 %	1.5 %	1.0 %	1.0 %	1.2 %

Figure VI-4
Merchandise Inventory Shrink Per Store

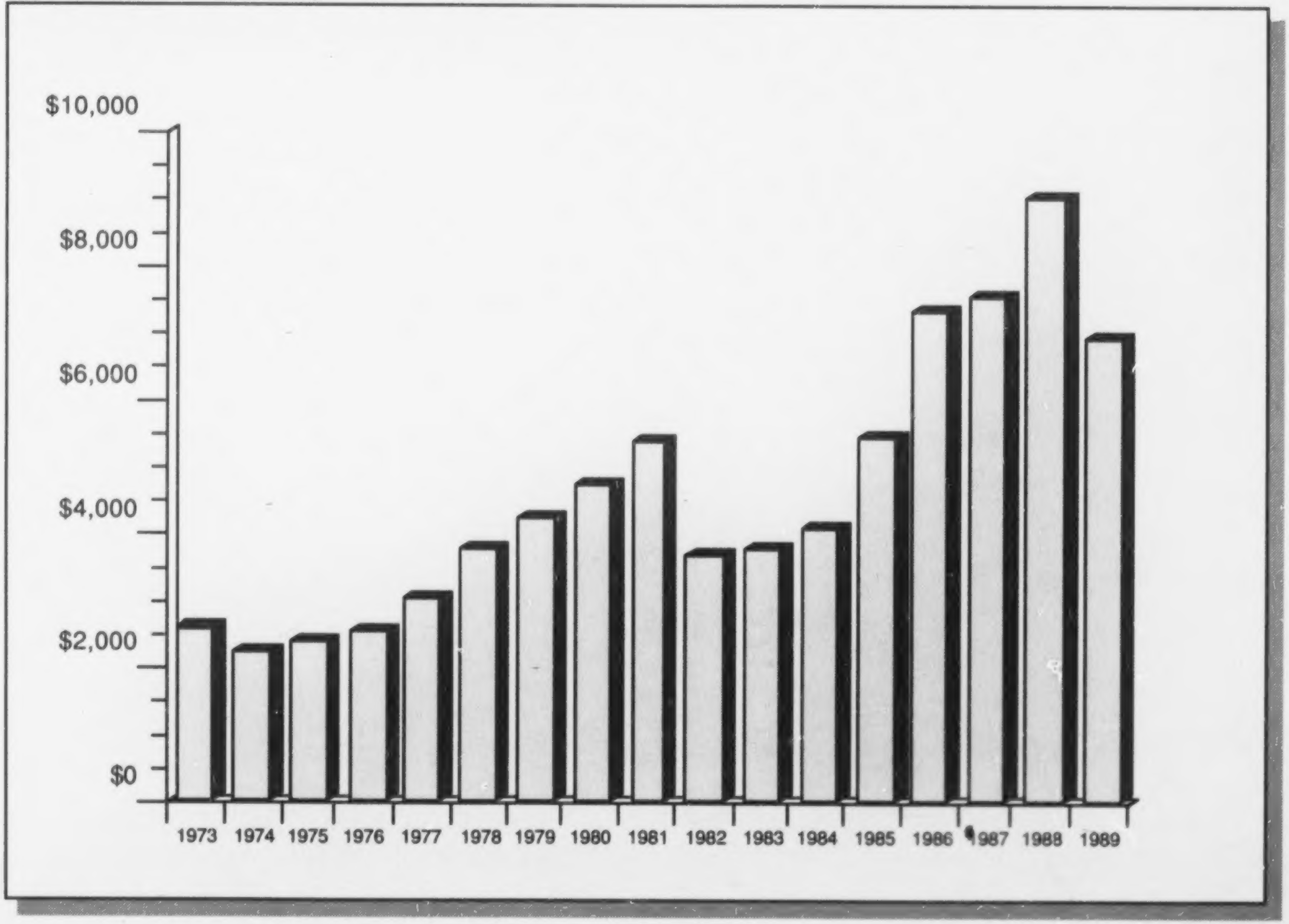


TABLE VI-10

DEPRECIATION AND EQUIPMENT RENT

PER STORE

		Percent Change
1989	$23,400	46.3%
1988	$16,000	8.1%
1987	$14,800	-0.7%
1986	$14,900	34.2%
1985	$11,100	29.1%
1984	$8,600	7.5%
1983	$8,000	35.6%
1982	$5,900	31.1%
1981	$4,500	-15.1%
1980	$5,300	10.4%
1979	$4,800	

TABLE VI-11

DEPRECIATION AND EQUIPMENT RENT PER STORE BY COMPANY SIZE

	B	Percent Change	C	Percent Change	D	Percent Change	E	Percent Change
1989	$13,100	-12.7%	$15,700	-4.3%	$12,500	-17.2%	$26,100	61.1%
1988	$15,000	-3.2%	$16,400	13.9%	$15,100	2.0%	$16,200	10.2%
1987	$15,500	16.5%	$14,400	5.1%	$14,800	17.5%	$14,700	-2.6%
1986	$13,300	35.7%	$13,700	24.5%	$12,600	40.0%	$15,100	21.8%
1985	$9,800	15.3%	$11,000	20.9%	$9,000	20.0%	$12,400	40.9%
1984	$8,500	6.3%	$9,100	15.2%	$7,500	-13.8%	$8,800	10.0%
1983	$8,000	11.1%	$7,900	12.9%	$8,700	26.1%	$8,000	105.1%
1982	$7,200	26.3%	$7,000	7.7%	$6,900	60.5%	$3,900	14.7%
1981	$5,700	-1.7%	$6,500	22.6%	$4,300	7.5%	$3,400	-12.8%
1980	$5,800	-9.4%	$5,300	15.2%	$4,000	11.1%	$3,900	14.7%
1979	$6,400		$4,600		$3,600		$3,400	

Figure VI-5
Depreciation and Equipment Rent Per Store

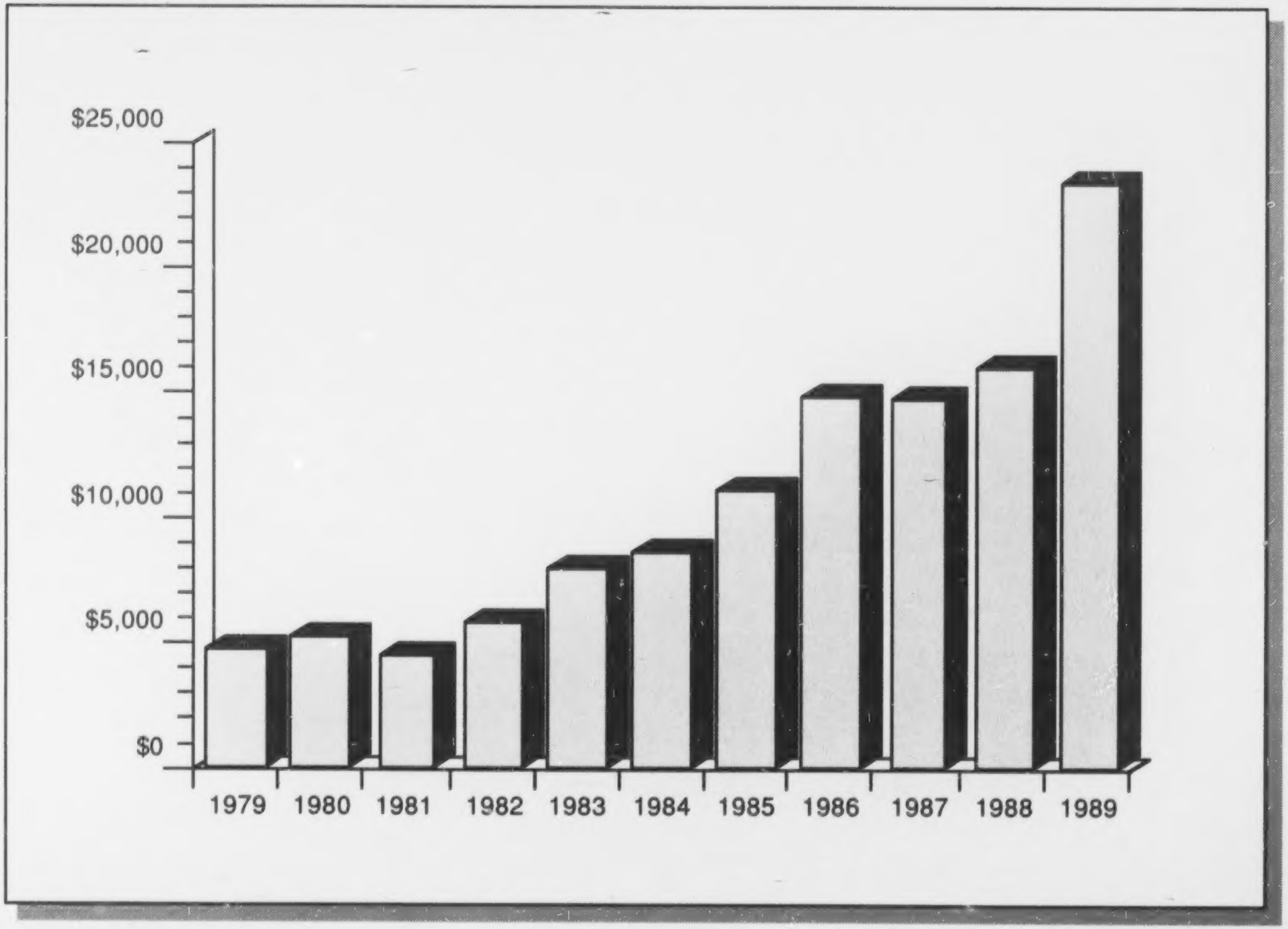


Figure VI-6
Insurance and Taxes Per Store

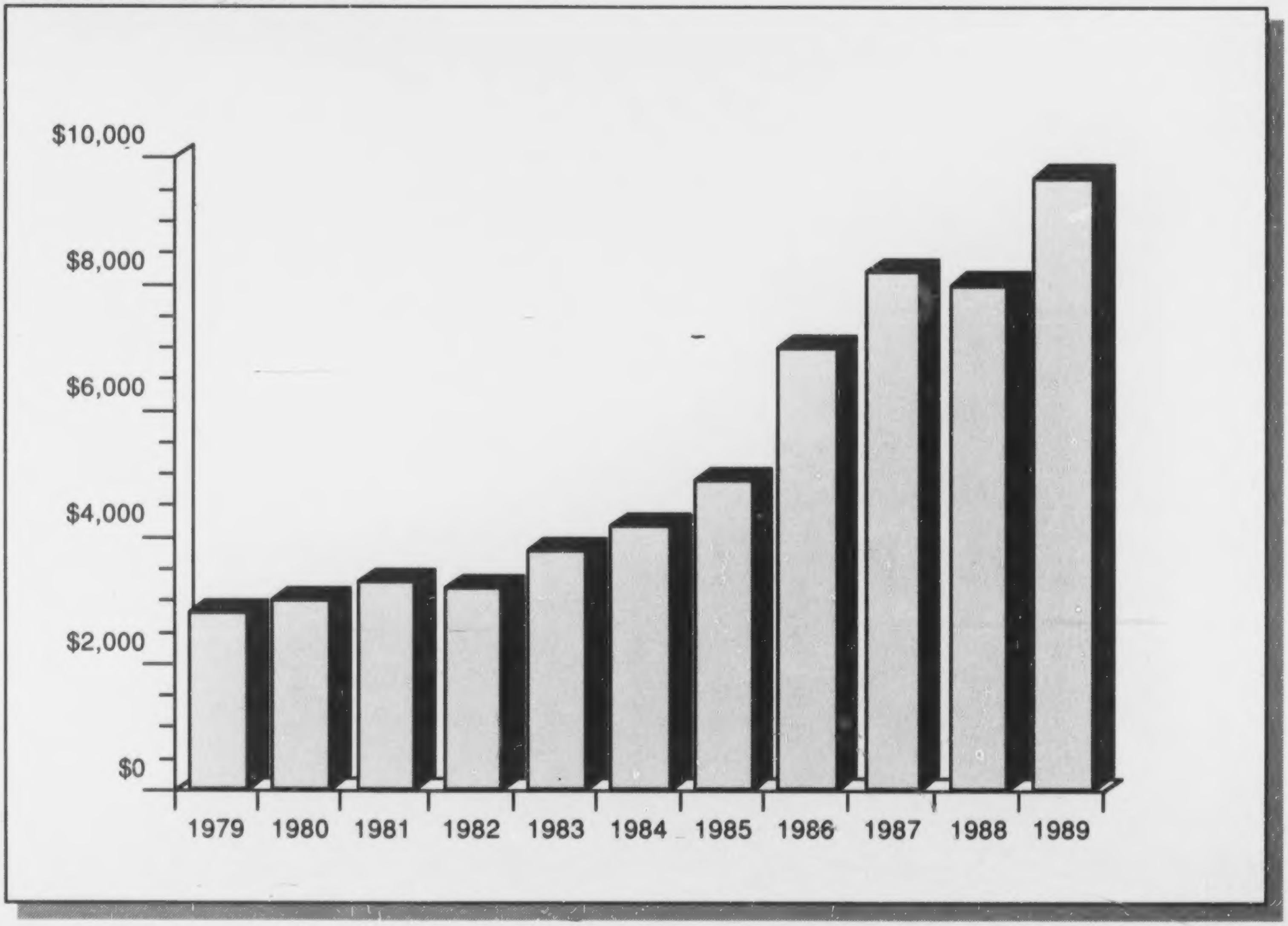


TABLE VI-12

INSURANCE AND TAXES
PER STORE

	Average	Percent Change
1989	$9,700	21.3%
1988	$8,000	-2.4%
1987	$8,200	17.1%
1986	$7,000	42.9%
1985	$4,900	16.7%
1984	$4,200	10.5%
1983	$3,800	18.8%
1982	$3,200	-3.0%
1981	$3,300	10.0%
1980	$3,000	7.1%
1979	$2,800	

TABLE VI-13

INSURANCE AND TAXES PER STORE BY COMPANY SIZE

	B	Percent Change	C	Percent Change	D	Percent Change	E	Percent Change
1989	$8,500	25.0%	$7,200	-2.7%	$7,900	11.3%	$10,300	19.8%
1988	$6,800	-1.4%	$7,400	2.8%	$7,100	6.0%	$8,600	-6.5%
1987	$6,900	6.2%	$7,200	7.5%	$6,700	-8.2%	$9,200	31.4%
1986	$6,500	27.5%	$6,700	52.3%	$7,300	58.7%	$7,000	34.6%
1985	$5,100	24.4%	$4,400	12.8%	$4,600	21.1%	$5,200	13.0%
1984	$4,100	24.2%	$3,900	18.2%	$3,800	-2.6%	$4,600	17.9%
1983	$3,300	57.1%	$3,300	3.1%	$3,900	2.6%	$3,900	50.0%
1982	$2,100	-40.0%	$3,200	0.0%	$3,800	31.0%	$2,600	-31.6%
1981	$3,500	-2.8%	$3,200	6.7%	$2,900	16.0%	$3,800	22.6%
1980	$3,600	2.9%	$3,000	15.4%	$2,500	8.7%	$3,100	14.8%
1979	$3,500		$2,600		$2,300		$2,700	

VII. Employees

TABLE VII-1

EMPLOYEES BY COMPANY SIZE

	Average Number of Store Employees Per Store					Average Number of Non-Store Employees					Average Number of Employees Per Store				
	B	C	D	E	Avg	B	C	D	E	Avg	B	C	D	E	Avg
1989	N/A	N/A	N/A	N/A	5.9	N/A	N/A	N/A	N/A	0.9	N/A	N/A	N/A	N/A	6.8
1988	N/A	N/A	N/A	N/A	6.5	N/A	N/A	N/A	N/A	0.7	N/A	N/A	N/A	N/A	7.2
1987	8.5	7.3	8.9	5.4	6.8	0.8	0.7	0.7	0.5	0.6	9.3	8.0	9.6	5.9	7.4
1986	7.7	6.8	8.6	5.6	7.0	1.0	0.8	0.6	0.5	0.6	8.7	7.5	9.2	6.1	7.6
1985	7.1	6.4	8.3	5.2	6.0	0.7	0.7	0.6	0.4	0.5	7.8	7.1	8.9	5.6	6.5
1984	6.7	6.9	6.5	5.7	5.9	0.5	0.8	0.7	0.4	0.5	7.2	7.7	7.2	6.1	6.4
1983	6.4	6.7	6.2	6.1	6.2	0.6	0.6	0.8	0.6	0.6	7.0	7.3	7.0	6.7	6.8
1982	8.8	6.0	6.1	6.0	6.1	0.7	0.6	0.7	1.2	1.0	9.5	6.6	6.8	7.2	7.1

VIII. Gasoline Operations

TABLE VIII-1

CONVENIENCE STORES SELLING GASOLINE

	Percent of Stores Selling Gasoline	Number of Stores With Gas	Percent Change	Total Number of Stores	Percent Change
1989	65.0 %	45,630	11.8%	70,200	1.4%
1988	59.0 %	40,828	2.5%	69,200	2.5%
1987	59.0 %	39,825	3.7%	67,500	5.5%
1986	60.0 %	38,400	14.5%	64,000	4.9%
1985	55.0 %	33,550	17.1%	61,000	6.5%
1984	50.0 %	28,650	1.3%	57,300	5.3%
1983	52.0 %	28,288	19.3%	54,400	6.3%
1982	46.3 %	23,706	14.6%	51,200	6.9%
1981	43.2 %	20,693	15.9%	47,900	8.6%
1980	40.5 %	17,861	13.0%	44,100	10.0%
1979	39.4 %	15,799	38.2%	40,100	10.5%
1978	31.5 %	11,435	28.7%	36,300	12.7%
1977	27.6 %	8,887	9.0%	32,200	6.6%
1976	27.0 %	8,154	38.9%	30,200	6.0%
1975	20.6 %	5,871	43.3%	28,500	7.1%
1974	15.4 %	4,096	32.3%	26,600	10.8%
1973	12.9 %	3,096	21.5%	24,000	11.1%
1972	11.8 %	2,549	97.3%	21,600	13.7%
1971	6.8 %	1,292		19,000	

Figure VIII-1
Number of Convenience Stores with Gasoline and Total Number of Convenience Stores

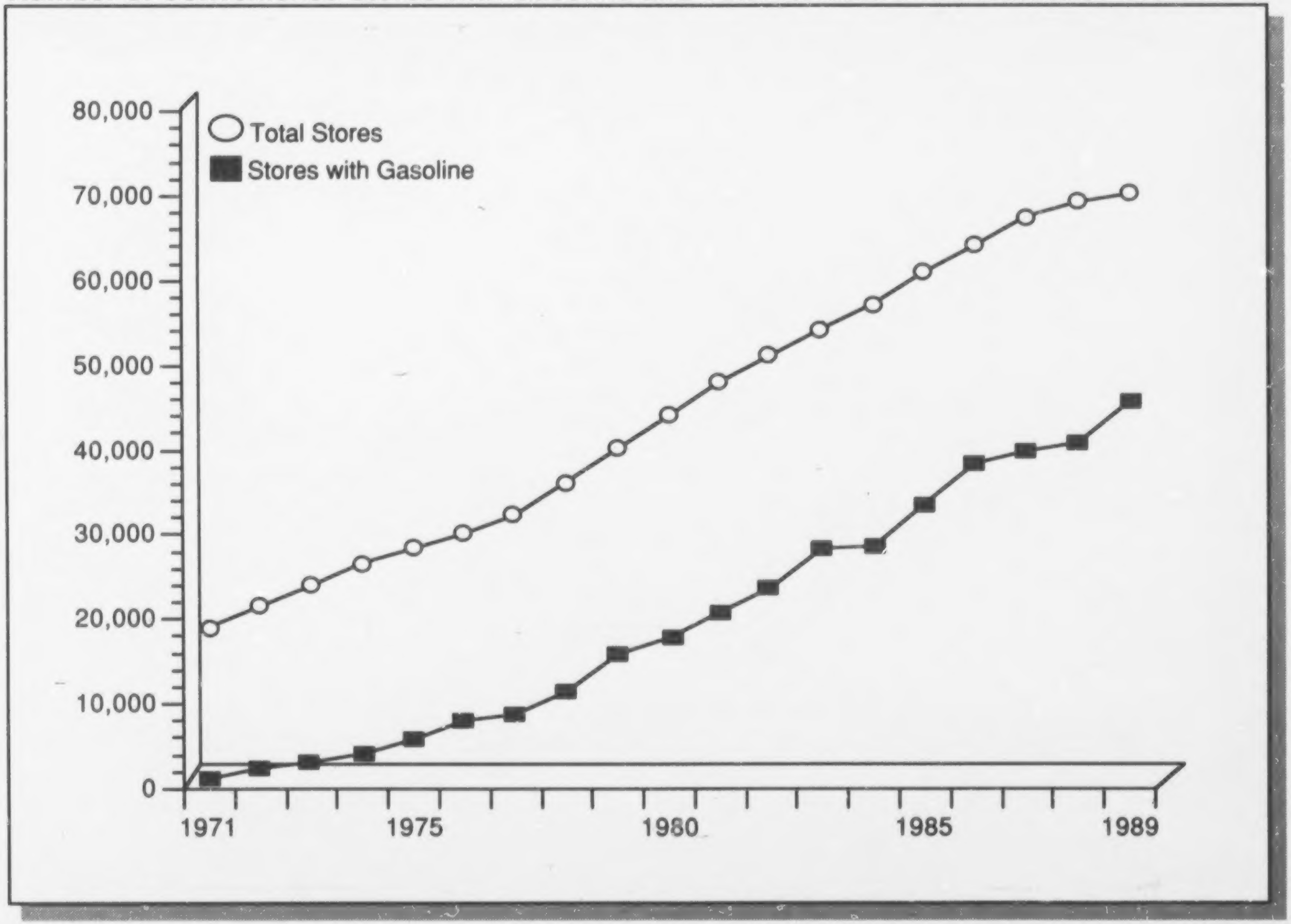


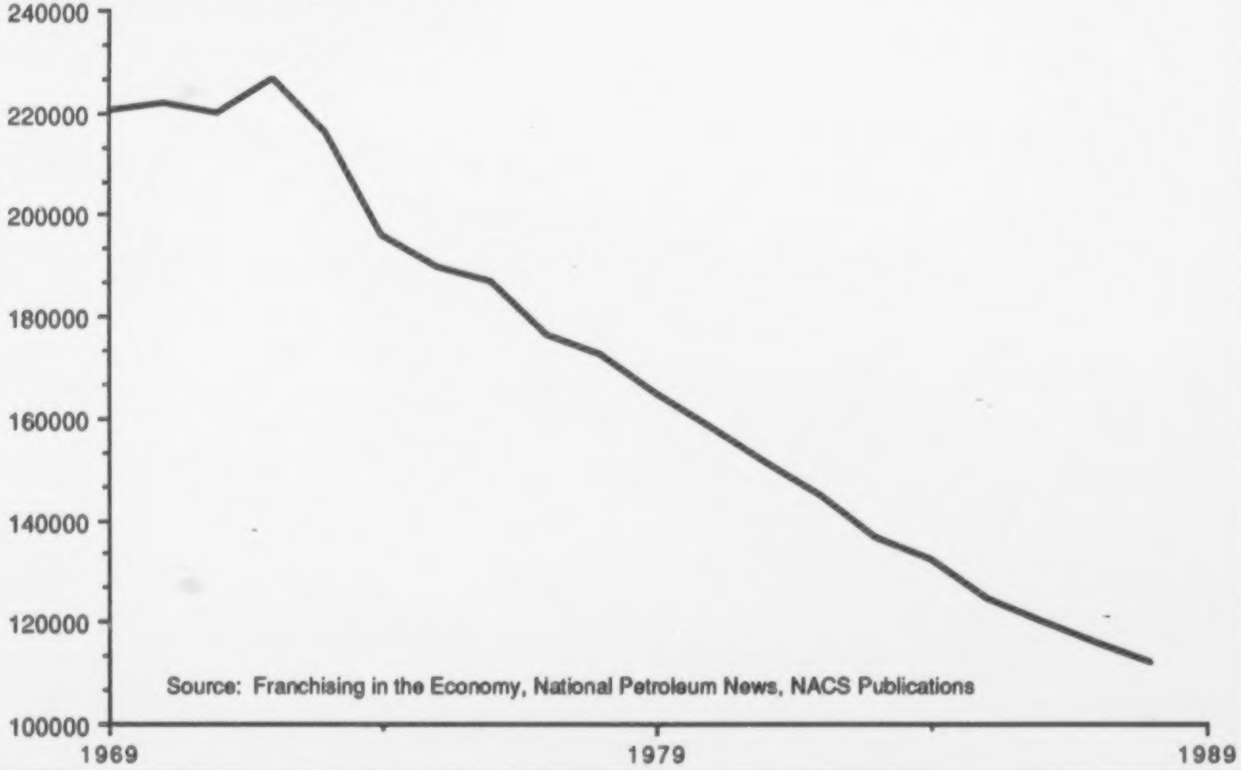
TABLE VIII-2

NUMBER OF GASOLINE SERVICE STATIONS

		Percent Change
1989	N/A	N/A
1988	112,000	-3.3%
1987	115,870	-3.9%
1986	120,510	-3.3%
1985	124,600	-5.7%
1984	132,080	-3.3%
1983	136,570	-5.6%
1982	144,690	-4.3%
1981	151,250	-4.4%
1980	158,240	-4.0%
1979	164,790	-4.4%
1978	172,300	-2.4%
1977	176,465	-5.6%
1976	186,840	-1.4%
1975	189,480	-3.4%
1974	196,130	-9.1%
1973	215,880	-4.7%
1972	226,459	2.9%
1971	220,000	-0.9%
1970	222,000	0.8%
1960	220,200	--

Source: Franchising in the Economy, National Petroleum News, NACS Publications

Figure VIII-2
Number of Gasoline Service Stations



Source: Franchising in the Economy, National Petroleum News, NACS Publications

TABLE VIII-3

MONTHLY GALLONS OF GASOLINE SOLD PER STORE

1989	56,000
1988	51,000
1987	47,000
1986	46,000
1985	41,000
1984	42,000
1983	43,000
1982	38,000
1981	36,500
1980	36,000
1979	37,200
1978	29,200
1977	25,900
1976	21,000
1975	20,900
1974	17,370
1973	19,560
1972	16,000
1971	9,200

Figure VIII-3
Gallons of Gasoline Sold Per Month Per Store

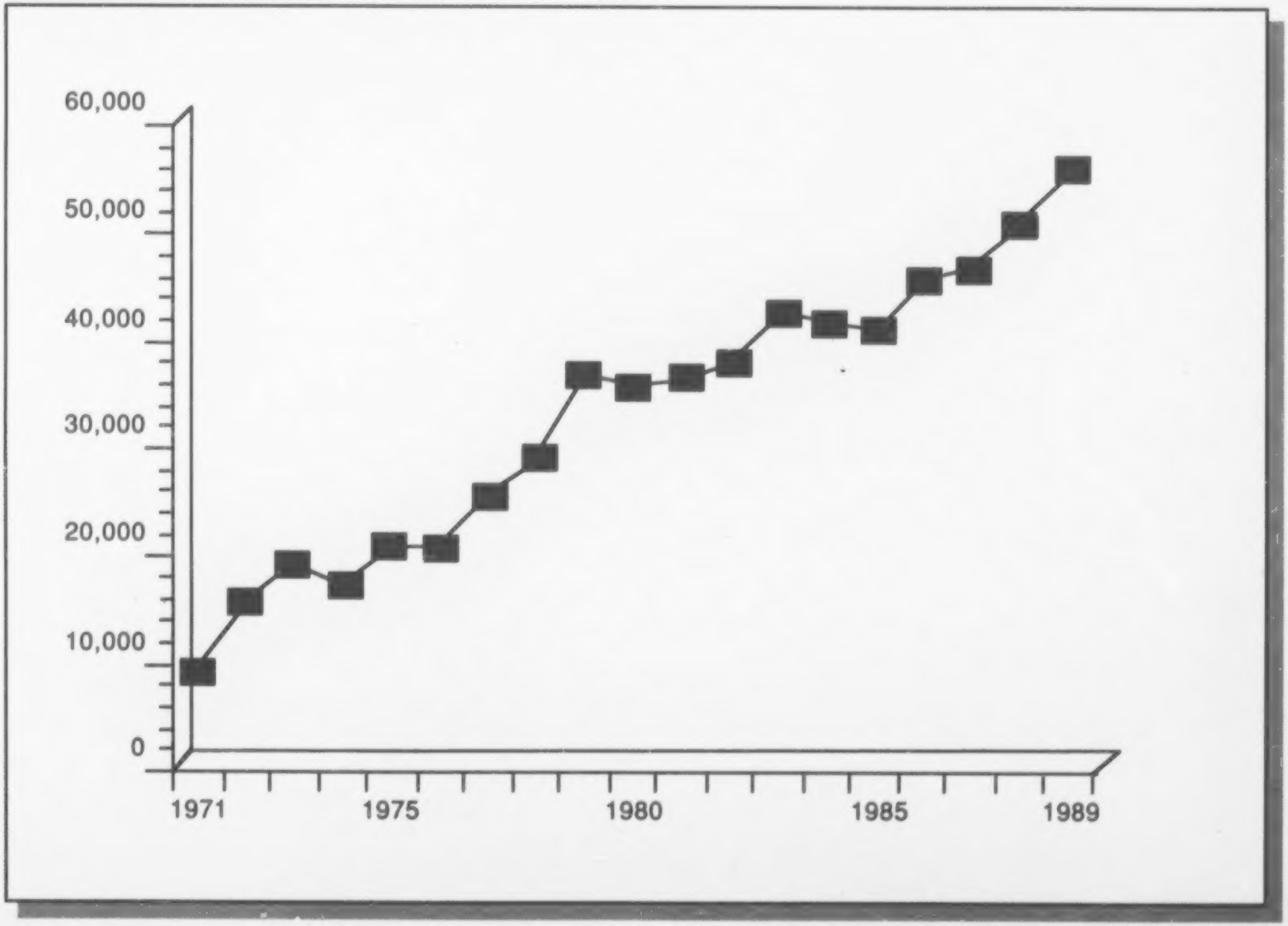


TABLE VIII-4

GALLONS OF GASOLINE SOLD
PER STORE PER MONTH
BY COMPANY SIZE

	B	C	D	E
1989	42,000	57,000	47,000	59,000
1988	68,000	68,000	68,000	41,000
1987	60,000	49,000	48,000	46,000
1986	68,000	50,000	48,000	42,000
1985	52,000	49,000	45,000	37,000
1984	46,000	44,000	52,000	40,000
1983	37,000	37,000	49,000	41,000
1982	36,000	43,000	37,000	37,000
1981	43,000	61,000	25,000	33,000
1980	31,000	51,000	29,000	34,000
1979	35,000	50,000	30,300	33,100

TABLE VIII-5

AVERAGE GASOLINE MARGIN PER GALLON: (CENTS)

	Company Owned	Commission Pump	Overall
1989	11.1	8.8	11.0
1988	10.9	7.2	10.8
1987	9.3	5.1	9.1
1986	9.7	5.4	9.5
1985	8.0	4.6	7.6
1984	7.4	3.6	6.9
1983	6.0	3.4	5.6
1982	6.4	4.0	6.0
1981	5.9	3.5	4.6
1980	7.6	5.3	6.5
1979	7.9	4.6	6.4
1978	4.9	3.0	4.3
1977	4.2	2.4	3.7
1976	4.7	2.9	4.2
1975	5.0	4.0	4.7
1974	6.4	5.8	6.1
1973			5.5
1972			3.6
1971			3.1

TABLE VIII-6

PERCENT OF CONVENIENCE STORES SELLING GAS THAT ARE:

	Company Owned	Number	Commission Basis	Number
1989	93%	42,436	7%	3,194
1988	95%	38,787	5%	2,041
1987	94%	37,436	6%	2,390
1986	92%	35,328	8%	3,072
1985	89%	29,860	11%	3,691
1984	87%	24,926	13%	3,725
1983	83%	23,479	17%	4,809
1982	72%	17,068	28%	6,638
1981	89%	18,417	11%	2,276
1980	64%	11,431	36%	6,430
1979	63%	9,954	37%	5,846
1978	67%	7,661	33%	3,773
1977	71%	6,310	29%	2,577
1976	63%	5,137	37%	3,017
1975	61%	3,581	39%	2,290
1974	36%	1,475	64%	2,622

TABLE VIII-7

PERCENTAGE OF NEW CONVENIENCE STORES WITH GASOLINE BY COMPANY SIZE

	B	C	D	E	Avg
1989	98 %	84 %	74 %	71 %	75 %
1988	86 %	81 %	63 %	53 %	65 %
1987	89 %	90 %	68 %	74 %	75 %
1986	78 %	76 %	73 %	82 %	78 %
1985	91 %	86 %	66 %	65 %	69 %
1984	66 %	76 %	65 %	41 %	51 %
1983	83 %	77 %	61 %	44 %	53 %
1982	85 %	79 %	73 %	72 %	74 %
1981	65 %	74 %	79 %	61 %	66 %
1980	75 %	71 %	75 %	42 %	56 %
1979	93 %	93 %	75 %	39 %	N/A %
1978	83 %	88 %	82 %	44 %	88 %

TABLE VIII-8

PERCENTAGE OF GASOLINE SALES WHICH ARE:

	Unbranded	Branded	Prepay
1989	31%	59%	14%
1988	65%	35%	N/A
1987	60%	60%	27%
1986	56%	44%	25%
1985	54%	46%	31%
1984	49%	51%	38%
1983	35%	65%	19%
1982	55%	45%	36%

TABLE VIII-9

AVERAGE SELLING PRICE PER GALLON OF GASOLINE

1989	$0.96
1988	$0.88
1987	$0.88
1986	$0.85
1985	$1.10
1984	$1.10
1983	$1.10
1982	$1.18
1981	$1.30
1980	$1.20
1979	$0.91
1978	$0.61
1977	$0.57

TABLE VIII-10

	AVERAGE GASOLINE SALE PER CUSTOMER
1989	N/A
1988	$8.00
1987	$7.33
1986	$7.67
1985	$9.31
1984	$8.00
1983	$9.79
1982	$9.21

TABLE VIII-11

	AVERAGE NUMBER OF GASOLINE HOSES PER STORE
1989	9.0
1988	8.4
1987	7.0
1986	7.0
1985	6.0
1984	5.0
1983	5.0
1982	5.0
1981	5.0
1980	5.0
1979	4.7
1978	4.3

TABLE VIII-12

	PERCENT OF STORES WITH CANOPIES	NUMBER OF STORES WITH CANOPIES
1989	67%	30,572
1988	62%	25,313
1987	50%	19,913
1986	45%	17,280
1985	54%	18,117
1984	48%	13,752
1983	54%	15,276
1982	52%	12,327

IX. Marketing and In-Store Merchandising

P

Specialty Products Offered

TABLE IX-1

PERCENT OF CONVENIENCE STORES OFFERING
FOUNTAIN DRINKS
BY COMPANY SIZE

	B	C	D	E	Avg	Number of Stores	Percent Change
1989	78	93	96	93	92	64,584	-3%
1988	86	95	98	96	96	66,432	4%
1987	91	94	94	96	95	64,125	4%
1986	87	84	92	99	96	61,440	6%
1985	82	85	69	99	95	57,950	10%
1984	74	63	96	98	92	52,716	24%
1983	64	64	95	76	78	42,432	36%
1982	39	62	67	57	61	31,232	48%
1981	44	50	42	43	44	21,076	

Figure IX-1
Number of Convenience Stores Offering Fountain Drinks

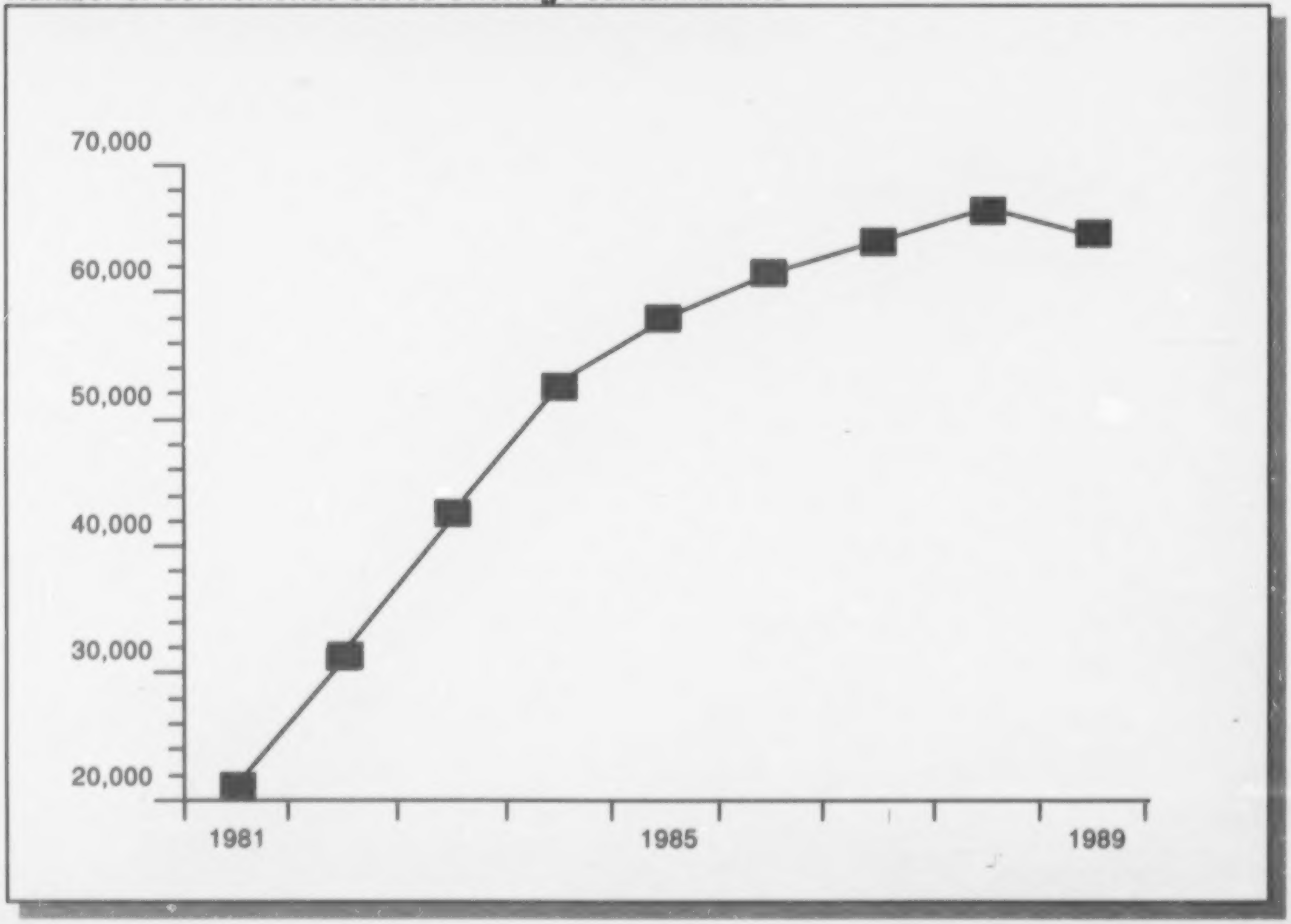


TABLE IX-2

PERCENT OF CONVENIENCE STORES OFFERING PREPARED FOODS (FAST FOODS) BY COMPANY SIZE

	B	C	D	E	Avg	Number of Stores	Percent Change
1989	81	84	62	95	90	63,180	10%
1988	81	62	65	83	83	57,436	6%
1987	78	60	54	88	80	54,000	16%
1986	60	37	46	89	73	46,720	9%
1985	55	35	42	85	70	42,700	77%
1984	61	43	64	38	42	24,066	-30%
1983	48	29	60	78	63	34,272	34%
1982	45	39	55	52	50	25,600	62%
1981	16	16	12	58	33	15,807	

Figure IX-2
Convenience Stores Offering Prepared Foods

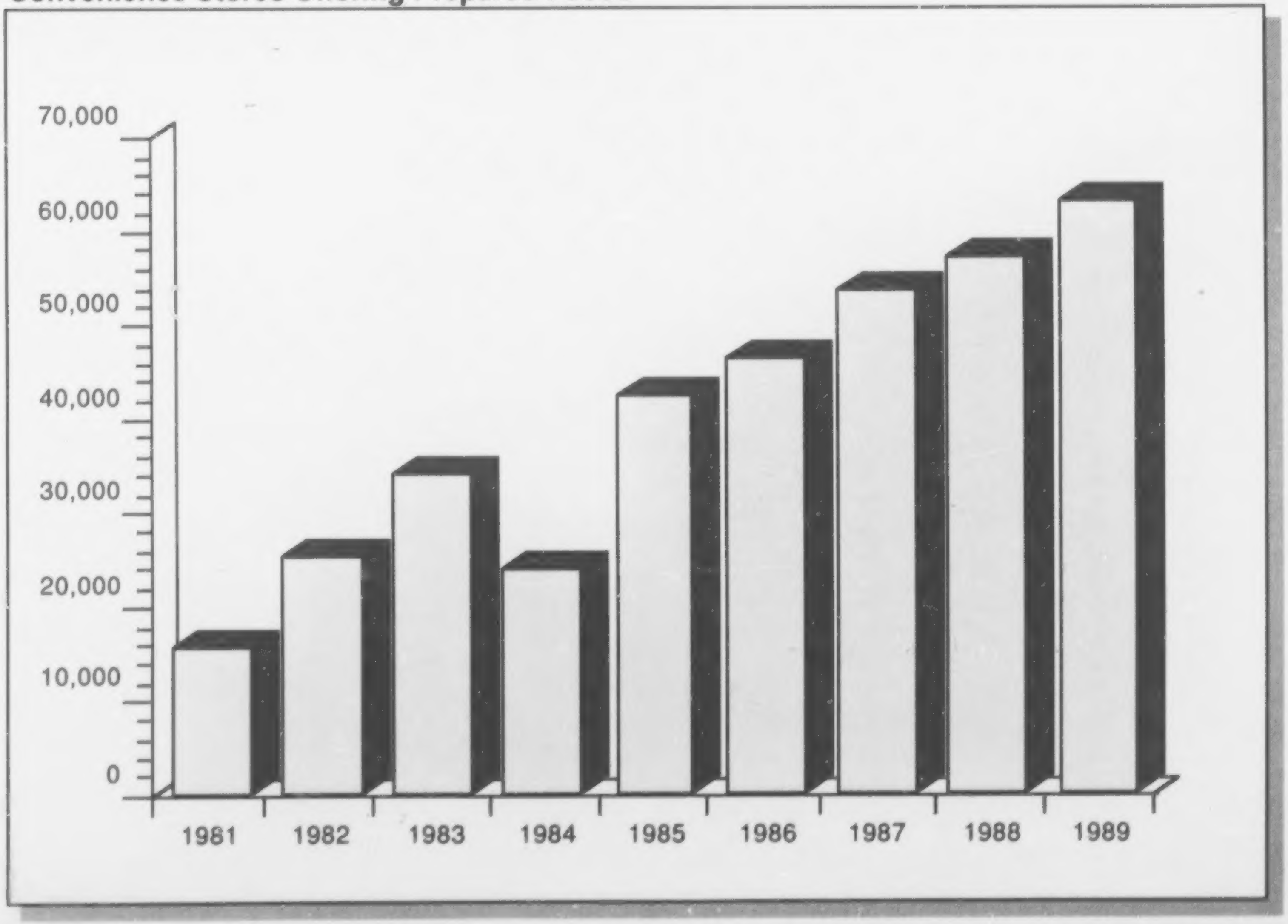


TABLE IX-3

PERCENT OF CONVENIENCE STORES OFFERING
SERVICE DELI
BY COMPANY SIZE

	B	C	D	E	Avg	Number of Stores	Percent Change
1989	27	27	20	39	35	24,570	-9%
1988	33	25	38	39	39	26,988	21%
1987	30	31	36	32	33	22,275	20%
1986	40	25	27	29	29	18,560	32%
1985	23	22	31	21	23	14,030	11%
1984	43	28	33	18	22	12,606	-34%
1983	38	38	25	39	35	19,040	24%
1982	22	29	23	35	30	15,360	7%
1981	21	31	20	36	30	14,370	

TABLE IX-4

PERCENT OF CONVENIENCE STORES OFFERING
ON PREMISE BAKERY
BY COMPANY SIZE

	B	C	D	E	Avg	Number of Stores	Percent Change
1989	7	9	2	7	6	4,212	1%
1988	9	7	20	6	6	4,152	23%
1987	4	8	11	0	5	3,375	5%
1986	8	5	11	0	5	3,200	75%
1985	4	8	9	1	3	1,830	219%
1984	6	7	1	1	1	573	-65%
1983	5	4	2	3	3	1,632	59%
1982	3	2	0	2	2	1,024	114%
1981	15	3	0	0	1	479	

TABLE IX-5
PERCENT OF CONVENIENCE STORES OFFERING FRIED CHICKEN BY COMPANY SIZE

	B	C	D	E	Avg	Number of Stores	Percent Change
1989	12	8	3	2	3	2,106	1%
1988	13	9	2	3	3	2,076	-23%
1987	13	6	3	3	4	2,700	41%
1986	13	6	4	0	3	1,920	57%
1985	8	8	3	0	2	1,220	-29%
1984	8	5	4	2	3	1,719	5%
1983	20	2	5	2	3	1,632	59%
1982	8	3	2	1	2	1,024	114%
1981	0	1	2	1	1	479	

TABLE IX-6

PERCENT OF CONVENIENCE STORES
OFFERING PIZZA
BY COMPANY SIZE

	B	C	D	E	Avg	Number of Stores	Percent Change
1989	15	16	11	15	14	9,828	255%
1988	20	6	3	4	4	2,768	-41%
1987	13	6	11	6	7	4,725	

TABLE IX-7

PERCENT OF CONVENIENCE STORES
OFFERING OTHER SPECIALTY PRODUCTS
BY COMPANY SIZE

	B	C	D	E	Avg	Number of Stores	Percent Change
1989	5	6	N/A	4	4	2,808	1%
1988	9	5	14	4	4	2,768	-76%
1987	3	12	13	19	17	11,475	

Services Offered

TABLE IX-8

PERCENT OF CONVENIENCE STORES OFFERING MICROWAVE EQUIPMENT BY COMPANY SIZE

	B	C	D	E	Avg	Number of Stores	Percent Change
1989	95	99	65	95	92	64,584	-2%
1988	88	95	88	95	95	65,740	6%
1987	98	89	87	95	92	62,100	0%
1986	97	96	89	99	97	62,080	9%
1985	92	94	74	99	93	56,730	4%
1984	85	82	89	99	95	54,435	14%
1983	80	80	83	95	88	47,872	14%
1982	73	83	82	82	82	41,984	8%
1981	92	84	79	80	81	38,799	

TABLE IX-9

PERCENT OF CONVENIENCE STORES OFFERING LOTTERY TICKETS BY COMPANY SIZE

	B	C	D	E	Avg	Number of Stores	Percent Change
1989	49	52	50	57	55	38,610	9%
1988	43	43	59	51	51	35,292	38%
1987	41	31	38	39	38	25,650	43%
1986	34	21	18	38	28	17,920	

TABLE IX-10

PERCENT OF CONVENIENCE STORES OFFERING
VENDING MACHINES
BY COMPANY SIZE

	B	C	D	E	Avg	Number of Stores	Percent Change
1989	21	7	11	N/A	3	2,106	52%
1988	18	5	1	2	2	1,384	-71%
1987	8	15	9	4	7	4,725	-8%
1986	5	20	8	3	8	5,120	180%
1985	4	4	5	1	3	1,830	6%
1984	6	6	8	1	3	1,719	-74%
1983	18	14	2	15	12	6,528	

TABLE IX-11

PERCENT OF CONVENIENCE STORES OFFERING
VIDEO GAMES
BY COMPANY SIZE

	B	C	D	E	Avg	Number of Stores	Percent Change
1989	16	35	52	67	60	42,120	11%
1988	14	48	25	55	55	38,060	-6%
1987	21	46	31	83	60	40,500	4%
1986	23	47	40	89	61	39,040	-12%
1985	27	45	43	84	73	44,530	2%
1984	35	47	70	85	76	43,548	25%
1983	60	58	70	63	64	34,816	0%
1982	63	62	71	65	68	34,816	191%
1981	28	52	43	16	25	11,975	

TABLE IX-12

PERCENT OF CONVENIENCE STORES OFFERING FILM PROCESSING BY COMPANY SIZE

	B	C	D	E	Avg	Number of Stores	Percent Change
1989	3	13	1	N/A	1	702	1%
1988	2	3	2	1	1	692	-66%
1987	6	6	3	2	3	2,025	5%
1986	14	4	4	1	3	1,920	57%
1985	18	9	4	0	2	1,220	113%
1984	9	6	4	0	1	573	-65%
1983	19	8	2	1	3	1,632	-20%
1982	12	10	3	1	4	2,048	-39%
1981	17	9	0	10	7	3,353	

TABLE IX-13

PERCENT OF CONVENIENCE STORES OFFERING VIDEO RENTALS BY COMPANY SIZE

	B	C	D	E	Avg	Number of Stores	Percent Change
1989	30	31	14	38	35	24,570	-11%
1988	22	35	36	44	40	27,680	-35%
1987	45	56	51	68	63	42,525	51%
1986	31	46	25	51	44	28,160	

TABLE IX-14

PERCENT OF CONVENIENCE STORES OFFERING MONEY ORDERS BY COMPANY SIZE

	B	C	D	E	Avg	Number of Stores	Percent Change
1989	56	67	83	79	77	54,054	1%
1988	44	64	63	89	77	53,284	-6%
1987	63	71	62	93	84	56,700	21%
1986	53	62	70	77	73	46,720	-4%
1985	25	54	55	94	80	48,800	12%
1984	35	48	80	81	76	43,548	8%
1983	40	49	79	84	74	40,256	38%
1982	33	49	75	49	57	29,184	-5%
1981	30	54	83	80	64	30,656	

Figure IX-3
Convenience Stores Offering Money Orders

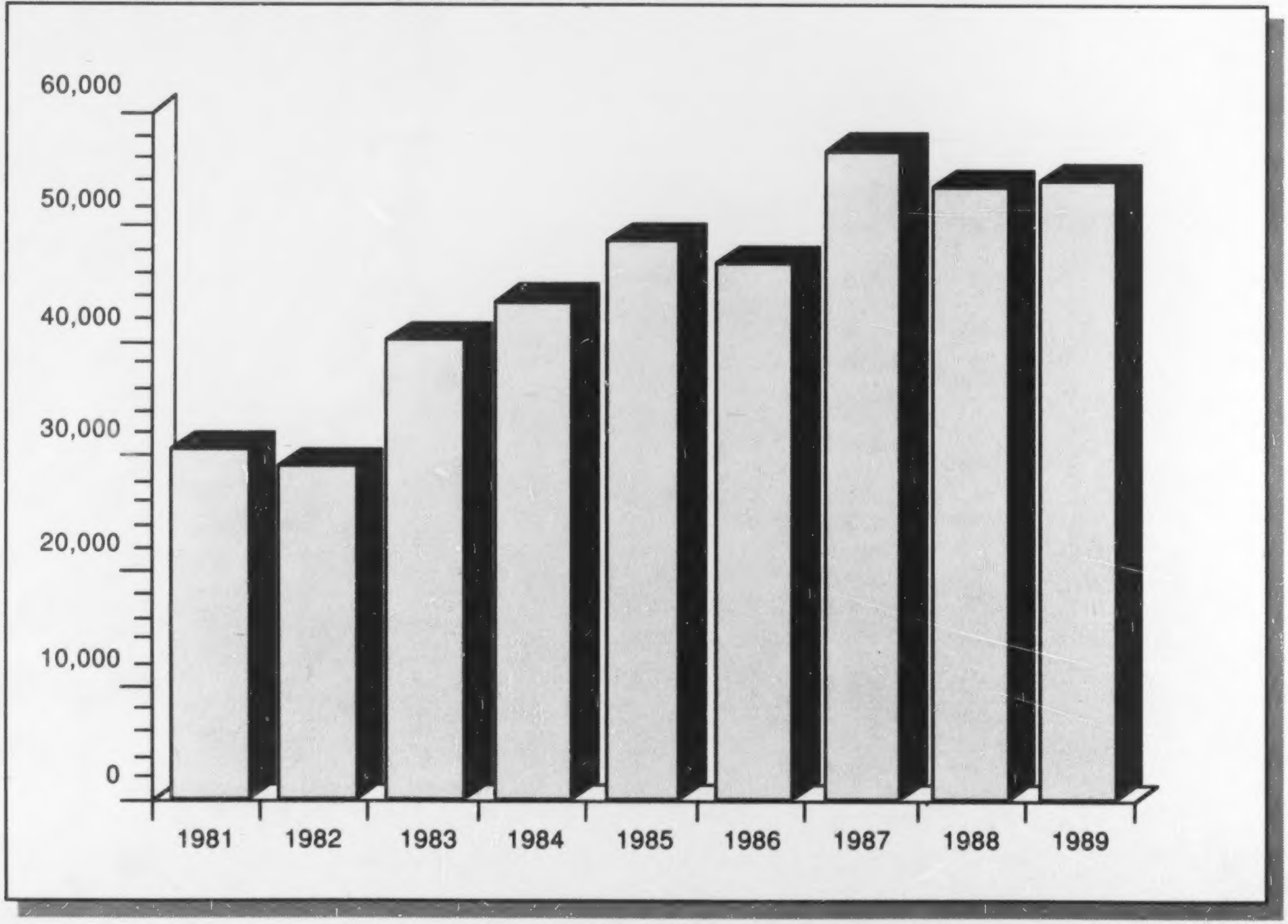


TABLE IX-15

PERCENT OF CONVENIENCE STORES OFFERING
CHECK CASHING
BY COMPANY SIZE

	B	C	D	E	Avg	Number of Stores	Percent Change
1989	54	72	64	16	27	18,954	-61%
1988	56	60	78	73	71	49,132	-2%
1987	60	58	59	88	74	49,950	7%
1986	36	43	77	85	73	46,720	11%
1985	61	59	64	72	69	42,090	-13%
1984	42	51	72	94	84	48,132	34%
1983	63	49	87	63	66	35,904	38%
1982	42	55	76	27	51	26,112	-3%

TABLE IX-16

PERCENT OF CONVENIENCE STORES OFFERING AUTOMATED TELLER MACHINES BY COMPANY SIZE

	B	C	D	E	Avg	Number of Stores	Percent Change
1989	2	8	8	13	12	8,424	22%
1988	4	6	19	8	10	6,920	-15%
1987	0	3	13	14	12	8,100	5%
1986	0	3	13	13	12	7,680	5%
1985	1	2	12	14	12	7,320	16%
1984	1	2	21	11	11	6,303	286%
1983	0	2	3	4	3	1,632	59%
1982	0	0	2	3	2	1,024	
1981	0	0	0	0	0	0	

TABLE IX-17

PERCENT OF CONVENIENCE STORES
OFFERING CREDIT CARDS
BY COMPANY SIZE

	B	C	D	E	Avg	Number of Stores	Percent Change
1989	81	82	58	38	46	32,292	-31%
1988	68	75	49	73	68	47,056	48%
1987	63	71	52	36	47	31,725	34%
1986	68	54	38	26	37	23,680	

TABLE IX-18

PERCENT OF CONVENIENCE STORES OFFERING DEBIT CARDS BY COMPANY SIZE

	B	C	D	E	Avg	Number of Stores	Percent Change
1989	16	13	23	6	9	6,318	-49%
1988	8	21	12	21	18	12,456	54%
1987	7	0	16	13	12	8,100	15%
1986	5	5	7	17	11	7,040	

TABLE IX-19

PERCENT OF CONVENIENCE STORES
OFFERING SEATING FOR FAST FOOD CUSTOMERS
BY COMPANY SIZE

	B	C	D	E	Avg	Number of Stores	Percent Change
1989	30	10	12	4	7	4,914	-11%
1988	20	7	6	8	8	5,536	3%
1987	18	17	1	8	8	5,400	69%
1986	16	3	2	7	5	3,200	

TABLE IX-20

PERCENT OF CONVENIENCE STORES
OFFERING POS SCANNING
BY COMPANY SIZE

	B	C	D	E	Avg	Number of Stores	Percent Change
1989	5	N/A	1	1	1	702	1%
1988	2	7	0	0	1	692	

TABLE IX-21

PERCENT OF CONVENIENCE STORES
OPEN 24 HOURS
BY COMPANY SIZE

	B	C	D	E	Avg	Number of Stores	Percent Change
1989	61	55	85	82	79	55,458	1%
1988	51	66	64	92	79	54,668	7%
1987	60	59	70	85	76	51,300	0%
1986	55	51	73	88	80	51,200	6%
1985	46	43	63	91	79	48,190	12%
1984	36	42	71	83	75	42,975	39%
1983	40	51	53	62	57	31,008	29%
1982	30	46	54	44	47	24,064	23%
1981	25	40	50	37	41	19,639	

Figure IX-4
Convenience Stores Open 24 Hours

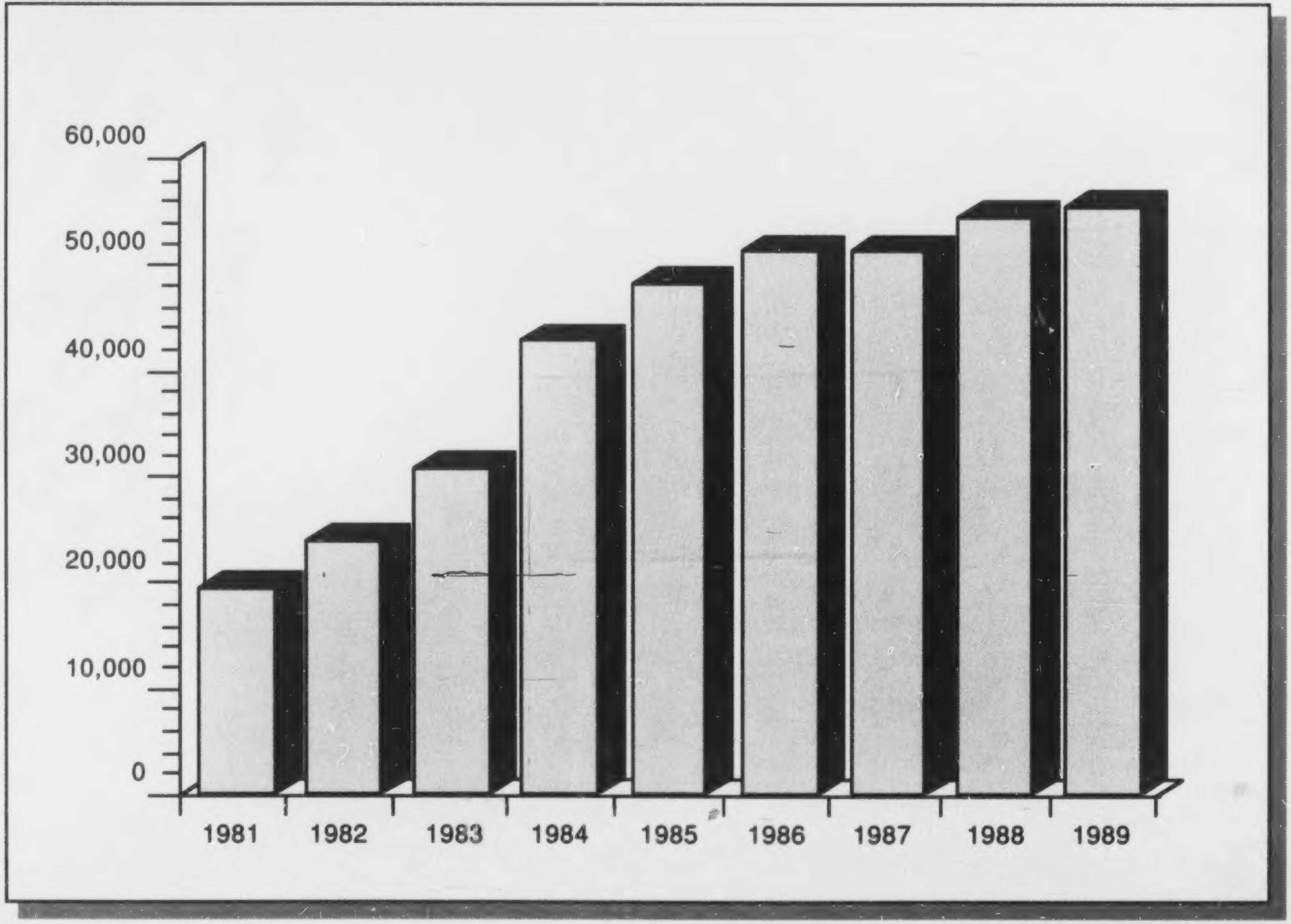


TABLE IX-22

PERCENT OF CONVENIENCE STORES
OFFERING PARKING
BY COMPANY SIZE

		B	C	D	E	Avg	Number of Stores	Percent Change
No Parking								
	1989	5	N/A	2	8	6	4,212	204%
	1988	3	2	2	2	2	1,384	-32%
	1987	3	1	1	1	3	2,025	
1-10 Parking spaces								
	1989	53	51	65	53	55	38,610	-23%
	1988	69	47	41	92	72	49,824	-11%
	1987	82	64	77	93	83	56,025	
More than 10 Parking Spaces								
	1989	43	48	33	39	39	27,378	98%
	1988	25	47	35	6	20	13,840	46%
	1987	15	35	22	6	14	9,450	

TABLE IX-23

PERCENT OF MERCHANDISE PURCHASES BY PRODUCT GROUP

	1989	1988	1987	1986	1985	1984	1983	1982	1981	1980	1979	1975
Cooler												
Beer	14.0 %	11.5 %	13.6 %	13.7 %	13.9 %	13.7 %	14.6 %	14.5 %	12.3 %	12.0 %	11.4 %	14.1 %
Soft Drinks	9.8	8.9	9.7	10.3	10.2	11.3	11.8	11.7	11.2	11.0	10.1	10.1
Juices	2.0	1.9	1.2	1.4	1.0	0.8	0.9	1.0	0.9	0.8	0.5	0.5
Milk & Milk Products	5.1	5.5	5.8	5.9	6.6	6.9	6.9	7.4	9.7	9.8	11.8	9.6
Packaged Deli	0.7	0.7	0.9	0.8	1.2	1.3	1.1	1.3	0.9	0.8	0.6	0.5
Produce	0.6	0.3	0.7	0.6	0.4	0.4	0.3	0.3	0.1	0.1	0.1	0.1
Eggs	0.6	0.2	0.3	0.3	0.4	0.4	0.3	0.2	0.1	0.1		
Frozen												
Frozen Food	1.4	0.6	0.6	0.7	0.7	0.7	0.6	0.7	1.5	1.7	1.6	1.7
Ice Cream	1.1	1.4	1.3	1.4	1.6	1.6	1.5	1.5	2.5	2.5	2.4	3.1
Ice	0.8	0.8	0.8	1.0	0.9	0.9	1.0	0.9	0.8	0.8	0.8	1.3
Room Temperature												
Bread & Cakes	2.5	3.4	3.3	3.3	3.5	4.0	4.2	4.0	4.5	4.8	5.2	5.8
Cookies	1.6	0.7	0.7	0.9	0.8	0.8	0.8	0.7	1.6	1.6	1.6	1.4
Salty Snacks (Chips, Nuts, Etc)	3.6	4.1	4.2	3.9	3.7	3.8	3.5	3.4	3.4	3.2	3.2	3.1
Candy & Gum	5.3	5.0	5.3	4.9	4.9	4.9	4.9	5.0	5.4	5.3	4.8	4.1
Groceries	3.9	5.0	5.6	5.6	5.9	9.0	9.2	9.8	9.3	9.3	11.5	11.3
Health & Beauty Aids	2.3	2.7	3.0	3.0	3.4	3.3	3.4	3.4	4.7	5.1	4.8	4.3
Tobacco	23.3	21.5	20.7	19.8	17.8	18.1	17.6	16.6	14.8	14.6	14.4	15.3
Publications	3.4	4.1	3.7	3.7	5.4	4.0	4.0	3.7	3.9	4.2	4.2	3.4
Wine/Liquor	0.9	1.8	1.3	1.4	1.3	1.3	1.1	1.2	1.1	1.0	1.0	1.9
Automotive/Motor Oil	0.8	1.0	1.4	0.9	0.7	0.8	1.0	1.1	1.0	1.0		
General Merchandise	3.8	3.7	2.8	2.1	2.6	2.3	2.4	2.6	2.4	2.4	2.5	3.2
Fast Food	12.5	15.0	13.1	14.4	13.1	9.7	8.9	9.0	7.9	7.9	7.5	5.3
Sandwiches--Fresh	1.2	2.1	1.8	1.3	1.7	1.7	1.4	1.5	2.3	2.4	2.1	1.2
Sandwiches--Frozen	0.8	1.2	1.2	1.3	1.4	1.2	0.9	1.0				
Deli Services (excl sandwiches)	2.0	3.5	3.0	3.3	3.0	1.3	2.0	2.4	3.0	3.2	3.2	2.5
Food Cooked On-site	0.9	1.5	0.8	0.4	0.3	0.2	0.3	0.3	0.6	0.5	0.5	0.2
Fountain Drinks	3.7	2.8	2.4	3.6	2.6	2.4	2.1	1.6	0.8	0.7	0.6	0.4
Frozen Beverages	0.7	1.1	0.9	0.9	0.9	0.5	0.2	0.3	0.2	0.2	0.2	0.1
Hot Beverages	2.4	1.4	2.1	2.7	1.6	1.2	1.4	1.4	0.6	0.5	0.5	0.5
Other Fast Food	0.8	1.4	0.9	0.9	1.6	1.2	0.6	0.5	0.4	0.4	0.4	0.4
Total Merchandise	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

Please Note: The 1975-1981 figures are estimates.

TABLE IX-24

DOLLAR AMOUNT OF MERCHANDISE PURCHASES BY PRODUCT CATEGORY
IN MILLIONS OF DOLLARS

	1989	1988	1987	1986	1985	1984	1983	1982	1981	1980	1979	1975
Cooler												
Beer	$5,684.0	$4,508.0	$5,317.6	$4,932.0	$4,614.8	$4,014.1	$3,766.8	$3,436.5	$2,656.8	$2,124.0	$1,641.6	$927.3
Soft Drinks	$3,978.8	$3,488.8	$3,792.7	$3,708.0	$3,386.4	$3,310.9	$3,044.4	$2,772.9	$2,419.2	$1,947.0	$1,454.4	$665.3
Juices	$812.0	$744.8	$469.2	$504.0	$332.0	$234.4	$232.2	$237.0	$194.4	$141.6	$72.0	$33.0
Milk & Milk Products	$2,070.6	$2,156.0	$2,267.8	$2,124.0	$2,191.2	$2,021.7	$1,780.2	$1,753.8	$2,095.2	$1,734.6	$1,699.2	$633.6
Packaged Deli	$284.2	$274.4	$351.9	$288.0	$398.4	$380.9	$283.8	$308.1	$194.4	$141.6	$86.4	$33.0
Produce	$243.6	$117.6	$273.7	$216.0	$132.8	$117.2	$77.4	$71.1	$21.6	$17.7	$14.4	$6.6
Eggs	$243.6	$78.4	$117.3	$108.0	$132.8	$117.2	$77.4	$47.4	$21.6	$17.7		
Frozen												
Frozen Food	$568.4	$235.2	$234.6	$252.0	$232.4	$205.1	$154.8	$165.9	$324.0	$300.9	$230.4	$112.2
Ice Cream	$446.6	$548.8	$508.3	$504.0	$531.2	$468.8	$387.0	$355.5	$540.0	$442.5	$345.6	$204.6
Ice	$324.8	$313.6	$312.8	$360.0	$298.8	$263.7	$258.0	$213.3	$172.8	$141.6	$115.2	$85.8
Room Temperature												
Bread & Cakes	$1,015.0	$1,332.8	$1,290.3	$1,188.0	$1,162.0	$1,172.0	$1,083.6	$948.0	$972.0	$849.6	$748.8	$382.8
Cookies	$649.6	$274.4	$273.7	$324.0	$265.6	$234.4	$206.4	$165.9	$345.6	$283.2	$230.4	$92.4
Salty Snacks (Chips, Nuts, Etc)	$1,461.6	$1,622.9	$1,642.2	$1,404.0	$1,228.4	$1,113.4	$903.0	$805.8	$734.4	$566.4	$460.8	$204.6
Candy & Gum	$2,151.8	$1,960.0	$2,072.3	$1,764.0	$1,626.8	$1,435.7	$1,264.2	$1,185.0	$1,166.4	$938.1	$691.2	$270.6
Groceries	$1,583.4	$1,975.7	$2,189.6	$2,016.0	$1,958.8	$2,637.0	$2,373.6	$2,322.6	$2,008.8	$1,646.1	$1,656.0	$745.8
Health & Beauty Aids	$933.8	$1,058.4	$1,173.0	$1,080.0	$1,128.8	$966.9	$877.2	$805.8	$1,015.2	$900.9	$691.2	$283.8
Tobacco	$9,459.8	$8,428.0	$8,093.7	$7,128.0	$5,909.6	$5,303.3	$4,540.8	$3,934.2	$3,196.8	$2,584.2	$2,073.6	$1,009.8
Publications	$1,380.4	$1,607.2	$1,446.7	$1,332.0	$1,792.8	$1,172.0	$1,032.0	$876.9	$842.4	$743.4	$604.8	$224.4
Wine/Liquor	$365.4	$705.6	$508.3	$504.0	$431.6	$380.9	$283.8	$284.4	$237.6	$177.0	$144.0	$125.4
Automotive/Motor Oil	$324.8	$407.7	$547.4	$324.0	$232.4	$234.4	$258.0	$260.7	$216.0	$177.0		
General Merchandise	$1,542.8	$1,466.1	$1,094.8	$756.0	$863.2	$673.9	$619.2	$616.2	$518.4	$424.8	$360.0	$211.2
Fast Food	$5,075.0	$5,880.0	$5,122.1	$5,184.0	$4,349.2	$2,842.1	$2,296.2	$2,133.0	$1,706.4	$1,398.3	$1,080.0	$349.8
Sandwiches--Fresh	$487.2	$823.2	$703.8	$468.0	$564.4	$498.1	$361.2	$355.5	$496.8	$424.8	$302.4	$79.2
Sandwiches--Frozen	$324.8	$470.4	$469.2	$468.0	$464.8	$351.6	$232.2	$237.0				
Deli Services (excl sandwiches)	$812.0 $0.0	$1,372.0	$1,173.0	$1,188.0	$996.0	$380.9	$516.0	$568.8	$648.0	$566.4	$460.8	$165.0
Food Cooked On-site	$365.4	$588.0	$312.8	$144.0	$99.6	$58.6	$77.4	$71.1	$129.6	$88.5	$72.0	$13.2
Fountain Drinks	$1,502.2	$1,097.6	$938.4	$1,296.0	$863.2	$703.2	$541.8	$379.2	$172.8	$123.9	$86.4	$26.4
Frozen Beverages	$284.2	$431.2	$351.9	$324.0	$298.8	$146.5	$51.6	$71.1	$43.2	$35.4	$28.8	$6.6
Hot Beverages	$974.4	$548.8	$821.1	$972.0	$531.2	$351.6	$361.2	$331.8	$129.6	$88.5	$72.0	$33.0
Other Fast Food	$324.8	$548.8	$351.9	$324.0	$531.2	$351.6	$154.8	$118.5	$86.4	$70.8	$57.6	$26.4
Total Merchandise	$40,600.0	$39,184.3	$39,100.0	$36,000.0	$33,200.0	$29,300.0	$25,800.0	$23,700.0	$21,600.0	$17,698.2	$14,400.0	$6,602.0

Please Note: The 1975-1981 figures are estimates.

TABLE IX-25

PERCENT OF STORES OFFERING BY COMPANY SIZE

	A			B			C			D			E			AVERAGE		
	1989	1988	1987	1989	1988	1987	1989	1988	1987	1989	1988	1987	1989	1988	1987	1989	1988	1987
Cooler																		
Beer (Hot & Cold)	69	62	71	64	70	67	57	61	66	80	69	70	84	85	82	79	77	78
Soft Drinks (Hot & Cold)	95	99	98	98	100	92	100	100	98	100	100	100	100	100	100	100	100	100
Juices	86	98	96	83	88	88	77	92	100	81	80	99	90	97	100	88	92	99
Milk & Milk Products	95	98	93	96	98	99	94	99	100	99	100	98	99	100	99	99	100	99
Packaged Deli	76	84	82	64	67	76	64	71	77	60	77	83	56	100	74	57	88	76
Produce	28	42	31	28	12	49	49	39	44	17	56	57	57	26	24	51	34	37
Eggs	76	95	85	81	83	91	59	70	98	67	100	96	80	85	75	76	85	82
Frozen																		
Frozen Food	61	75	69	68	71	77	86	86	97	79	100	80	77	97	95	78	94	92
Ice Cream	85	95	87	91	93	91	94	91	98	91	100	97	90	97	96	90	96	96
Ice	82	98	94	91	92	96	91	100	98	83	100	97	91	100	100	90	100	99
Room Temperature																		
Bread & Cakes	90	97	93	97	96	100	94	99	99	98	100	98	100	97	100	99	98	99
Cookies	85	98	94	88	86	90	87	93	87	95	100	92	93	97	100	93	96	97
Salty Snacks (Chips, Nuts, Etc)	90	98	96	97	100	100	94	99	99	98	100	98	100	97	100	99	98	100
Candy & Gum	91	99	96	98	98	100	100	100	100	97	100	98	100	97	100	99	98	100
Groceries	98	97	89	94	97	92	100	97	100	95	100	98	99	97	99	98	98	99
Health & Beauty Aids	90	97	92	95	96	92	87	97	100	83	100	98	93	97	100	91	98	99
Tobacco	99	99	99	98	100	100	100	100	100	100	100	100	100	100	100	99	100	100
Publications	76	86	79	82	81	74	86	81	96	92	100	96	97	97	98	95	94	97
Wine/Liquor	34	44	45	34	58	37	28	52	40	41	37	51	35	77	22	35	64	29
Automotive/Motor Oil	86	94	96	91	87	99	79	91	100	80	86	94	65	97	100	69	93	99
General Merchandise	89	96	92	92	91	89	82	81	99	79	100	90	56	97	100	62	94	98
Fast Food																		
Sandwiches--Fresh	73	73	67	53	63	59	62	55	56	32	60	65	24	39	42	30	47	48
Sandwiches--Frozen	40	55	55	45	54	55	41	62	62	50	45	22	80	81	86	72	69	71
Deli Services (excluding sandwiches)	46	50	31	26	33	48	35	40	31	24	53	34	54	23	20	49	33	25
Food Cooked On-site	42	44	29	22	28	30	20	33	29	5	27	16	70	13	63	58	20	50
Fountain Drinks	80	90	80	78	85	91	93	88	94	96	96	94	93	97	96	92	95	95
Frozen Beverages	40	59	46	57	54	71	30	47	43	68	61	55	19	90	94	27	74	81
Hot Beverages	76	98	90	83	87	98	70	86	93	97	98	83	94	97	99	92	95	96
Other Fast Food	60	56	29	28	32	29	24	43	34	22	60	32	22	88	26	23	71	29

TABLE IX-26

INDUSTRY AVERAGES BY PRODUCT CATEGORY

	GROSS MARGIN PERCENTAGE (AVERAGE)					INVENTORY TURNOVER		
	1989	1988	1987	1986	1985	1989	1988	1987
Cooler								
Beer (Hot & Cold)	25	27	27	26	27	20.6	23.4	21.3
Soft Drinks (Hot & Cold)	34	37	35	34	32	17.6	15.2	19.5
Juices	40	38	40	38	34	17.0	15.9	16.6
Milk & Milk Products	22	22	23	22	22	45.4	54.3	60.8
Packaged Deli	32	36	34	35	36	14.4	17.0	18.1
Produce	25	23	26	28	26	29.0	52.0	46.1
Eggs	25	22	26	23	23	22.4	23.1	26.6
Frozen								
Frozen Food	35	37	36	37	37	6.1	6.1	7.1
Ice Cream	37	40	39	37	39	12.2	13.6	14.8
Ice	58	53	56	54	53	22.4	20.4	31.5
Room Temperature								
Bread & Cakes	30	30	29	29	28	47.5	73.1	59.3
Cookies	35	36	36	36	35	12.2	10.9	11.8
Salty Snacks (Chips, Nuts, Etc)	38	36	36	37	35	24.7	21.4	32.1
Candy & Gum	44	43	42	42	41	16.4	17.1	26.1
Groceries	34	37	35	36	35	8.6	8.1	8.0
Health & Beauty Aids	38	39	38	39	37	7.9	7.7	6.9
Tobacco	26	30	29	29	30	18.6	16.7	23.7
Publications	21	20	20	21	21	12.8	14.3	19.7
Wine/Liquor	31	32	30	30	30	9.3	7.9	16.4
Automotive/Motor Oil	33	38	40	36	34	8.9	9.4	14.5
General Merchandise	41	39	41	40	39	9.8	7.9	10.9
Fast Food								
Sandwiches--Fresh	42	41	41	39	39	66.8	70.7	54.2
Sandwiches--Frozen	37	37	37	38	39	24.1	41.5	31.1
Deli Services (excluding sandwiches)	37	40	45	47	43	35.0	28.0	34.4
Food Cooked On-site	37	48	42	47	50	93.8	83.2	64.6
Fountain Drinks	61	64	60	61	58	28.9	15.6	20.5
Frozen Beverages	63	57	43	41	44	25.7	8.0	8.9
Hot Beverages	68	68	66	66	61	35.2	37.1	31.8
Other Fast Food	46	38	39	42	45	44.0	67.9	41.5
Total Merchandise		36.4	35.9	35.5	32.2	11.1	9.5	11.1

X. A Company Report

TABLE X-1

A COMPANY

Average Yearly Sales Per Store

	Total	Merchandise
1989	N/A	$426,000
1988	$1,152,000	$475,000
1987	$1,066,000	$380,000
1986	$1,111,000	$337,000
1985	$1,076,000	$343,000
1984	$881,000	$357,000
1983	$886,000	$326,000
1982	$876,000	$342,000

TABLE X-2

A COMPANY

PROFITABILITY MEASURES

	Merchandise Gross Margin	Pretax Profit (Total Sales)	Dollar Amount
1989	N/A	1.4 %	N/A
1988	28.8 %	1.8 %	$20,736
1987	28.6 %	2.3 %	$24,518
1986	28.4 %	2.5 %	$27,775
1985	29.1 %	2.1 %	$22,596
1984	26.9 %	2.4 %	$21,144
1983	26.9 %	2.4 %	$21,264
1982	27.2 %	2.6 %	$22,776
1981	28.9 %		
1980	28.3 %		
1979	23.6 %		

TABLE X-3

A COMPANY GASOLINE INFORMATION

	Percent of Stores Selling Gas	Gross Margin	Monthly Gallons
1989	N/A	N/A	74,000
1988	82	12.8	98,000
1987	90	11.6	74,000
1986	92	12.1	
1985	88	7.6	
1984	84	6.4	
1983	80	5.4	
1982	80	6.2	

TABLE X-4

A COMPANY
OTHER INCOME AND EXPENSES
AS A PERCENT OF TOTAL SALES

	Direct Store Operating Expense	Other Income	Other Expense	G & A	Dollar Amount G & A
1989	14.2	1.1	0.1	3.0	N/A
1988	14.6	0.9	0.4	4.0	$46,080
1987	14.4	2.2	3.6	3.7	$39,442
1986		3.4	4.5	4.6	$51,106
1985		1.7	1.4	4.1	$44,116
1984		1.7	1.9	5.0	$44,050
1983		1.8	1.0	3.0	$26,580
1982		2.1	2.0	3.5	$30,660

TABLE X-5

A COMPANY STORE CHARACTERISTICS

	1989	1988	1987
Under 1,000 Square Feet	13 %	7 %	21 %
1,000 to 2,000 Square Feet	49	38	44
2,000 to 3,000 Square Feet	29	41	29
Over 3,000 Square Feet	9	14	6

TABLE X-6

A COMPANY
SHRINK INFORMATION

	Percent of Merchandise Sales	Dollar Amount Per Store
1989	1.9	N/A
1988	1.4	$6,650
1987	1.4	$5,320
1986	2.0	$6,740
1985	1.5	$5,145
1984	1.4	$4,998
1983	1.0	$3,260
1982	1.2	$4,104
1981	1.5	
1980	2.0	

TABLE X-7

A COMPANY PRODUCT AND SERVICE OFFERING

	1989	1988	1987
Open 24 Hours	50 %	51 %	44 %
POS Scanning	11	4	6
No Parking	7	2	6
1-10 Parking Spaces	62	59	62
More than 10 spaces	31	39	32
Services			
Microwave Equipment	99	96	92
Lottery Tickets	46	51	35
Vending Machines	20	19	12
Video Games	23	30	17
Film Processing	2	6	6
Video Rentals	25	37	30
Money Orders	41	37	22
Check Cashing	46	52	43
Automated Teller Machines	2	4	4
Credit Cards	84	73	77
Debit Cards	9	11	3
Cooler			
Beer	69	62	71
Soft Drinks	95	99	97
Juices	86	98	96
Milk and Milk Products	95	98	93
Packaged Deli	76	84	82
Produce	28	42	31
Eggs	76	95	85
Frozen			
Frozen Food	61	75	69
Ice Cream	85	95	87
Ice	82	98	94
Room Temperature			
Bread and Cakes	90	97	93
Cookies	85	98	94
Salty Snacks (Chips, Nuts,	90	98	96
Candy and Gum	91	99	96
Groceries	98	97	89
Health/Beauty	90	97	92
Tobacco	99	99	98
Publications	76	86	79
Wine/Liquor	34	44	45
Auto/Motor Oil	86	94	96
Gen. Merchandise	89	96	92

	1989	1988	1987
Fast Food			
Sandwiches-Fresh	73 %	73 %	67 %
Sandwiches-Frozen	40	55	54
Deli Services (expt. sandwiches)	46	50	31
Food Cooked on-site	42	44	29
Fountain Drinks	80	90	80
Frozen Beverages	40	59	46
Hot Beverages	76	98	90
Other Fast Food	60	56	29
On-Site Prepared Foods			
Service Deli	23	43	27
On-premise Bakery	13	15	7
Fried Chicken	12	15	15
Pizza	24	17	11
Hot Dogs	74		
Other	10		

XI. Demographic Information

TABLE XI-1

AVERAGE MERCHANDISE CUSTOMER COUNT PER STORE

	Per Year	Per Day
1989	252,402	692
1988	309,836	849
1987	285,222	781
1986	284,848	780
1985	262,802	720
1984	250,490	686
1983	237,000	649
1982	232,663	637
1981	219,512	601
1980	207,368	568
1979	233,553	640
1978	233,088	639
1977	189,524	519
1976	206,129	565
1975	194,309	532
1974	196,754	539
1973	200,794	550
1972	177,632	487
1971	188,224	516

TABLE XI-2

AVERAGE MERCHANDISE CUSTOMER COUNT PER STORE
BY COMPANY SIZE

	B		C		D		E	
	Per Year	Per Day	Per Year	Per Day	Per Year	Per Day	Per Year	Per Day
1989	191,866	526	242,381	664	163,265	447	267,391	733
1988	184,018	504	225,510	618	287,745	788	349,112	956
1987	156,540	429	229,592	629	218,502	599	323,316	886
1986	161,811	443	230,693	632	232,124	636	315,816	865
1985	165,417	453	197,748	542	219,626	602	304,188	833
1984	151,673	416	211,275	579	220,202	603	N/A	N/A
1983	169,725	465	232,804	638	189,950	520	244,498	670
1982	143,137	392	237,017	649	192,893	528	245,320	672
1981	166,146	455	212,994	584	186,316	510	230,233	631
1980	158,242	434	242,308	664	222,674	610	202,500	555
1979	171,687	470	218,243	598	212,121	581	244,667	670
1978	180,745	495	232,090	636	202,632	555	255,556	700

TABLE XI-3

UNITED STATES HOUSEHOLDS PER CONVENIENCE STORE: NACS ESTIMATES

	United States Households (000s)	United States Convenience Stores	United States Households Per C-Store
1989	92,917	70,200	1,324
1988	91,538	69,200	1,323
1987	90,033	67,500	1,334
1986	88,797	64,000	1,387
1985	87,489	61,000	1,434
1984	86,019	57,300	1,501
1983	84,336	54,400	1,550
1982	83,540	51,200	1,632
1981	82,620	47,900	1,725
1980	80,390	44,100	1,823
1979	78,973	40,100	1,969
1978	77,400	36,300	2,132
1977	75,577	32,200	2,347
1976	73,297	30,200	2,427
1975	72,270	28,500	2,536
1974	70,737	26,600	2,659
1973	69,129	24,000	2,880
1972	67,421	21,600	3,121
1971	65,492	19,000	3,447
1970	63,821	13,250	4,817
1969	62,610	11,620	5,388
1968	61,280	9,600	6,383
1967	59,762	8,000	7,470
1966	58,683	7,000	8,383
1965	57,759	6,000	9,627
1964	56,578	5,000	11,316
1963	55,563	4,200	13,229
1962	54,933	3,500	15,695
1961	53,959	3,000	17,986
1960	53,052	2,500	21,221

Source: Households: Bureau of the Census, Current Population Reports Series P-20, Population Characteristics

Convenience Stores: NACS, building size greater than 1,000 square feet.

TABLE XI-4

CONVENIENCE STORE COUNTS BY STATE: NACS ESTIMATES

	1989	1988	1987	1986	1985	1984	1983	1982	1981	1980	1979	1978	1977	1976
New England	3,854	3,799	3,706	3,514	3,349	3,146	2,987	2,811	2,630	2,421	2,202	1,993	1,768	1,658
Maine	568	560	547	518	494	464	441	415	388	357	325	294	261	245
New Hampshire	379	373	364	345	329	309	293	276	258	238	216	196	174	163
Vermont	184	181	177	168	160	150	142	134	125	115	105	95	84	79
Massachusetts	1,721	1,697	1,655	1,569	1,496	1,405	1,334	1,255	1,175	1,081	983	890	790	741
Rhode Island	279	275	269	255	243	228	216	204	191	175	160	144	128	120
Connecticut	723	713	695	659	628	590	560	527	493	454	413	374	332	311
Middle Atlantic	5,157	5,083	4,958	4,701	4,481	4,209	3,996	3,761	3,519	3,239	2,946	2,666	2,365	2,218
New York	1,964	1,936	1,888	1,790	1,707	1,603	1,522	1,432	1,340	1,234	1,122	1,016	901	845
New Jersey	1,213	1,196	1,166	1,106	1,054	990	940	885	828	762	693	627	556	522
Pennsylvania	1,980	1,952	1,904	1,805	1,720	1,616	1,534	1,444	1,351	1,244	1,131	1,024	908	852
East North Central	9,229	9,097	8,874	8,414	8,019	7,533	7,152	6,731	6,297	5,798	5,272	4,772	4,233	3,970
Ohio	2,883	2,842	2,772	2,628	2,505	2,353	2,234	2,103	1,967	1,811	1,647	1,491	1,322	1,240
Indiana	1,284	1,266	1,235	1,171	1,116	1,048	995	936	876	807	733	664	589	552
Illinois	1,640	1,617	1,577	1,496	1,425	1,339	1,271	1,196	1,119	1,031	937	848	752	706
Michigan	2,502	2,466	2,405	2,281	2,174	2,042	1,939	1,825	1,707	1,572	1,429	1,294	1,148	1,076
Wisconsin	920	907	885	839	799	751	713	671	628	578	526	476	422	396
West North Central	5,158	5,084	4,959	4,702	4,482	4,210	3,997	3,762	3,519	3,240	2,946	2,667	2,366	2,219
Minnesota	1,349	1,330	1,297	1,230	1,172	1,101	1,045	984	920	847	771	697	619	580
Iowa	1,002	988	964	914	871	818	777	731	684	630	572	518	460	431
Missouri	1,377	1,357	1,324	1,255	1,197	1,124	1,067	1,004	940	865	787	712	632	592
North Dakota	154	152	148	141	134	126	120	113	105	97	88	80	71	66
South Dakota	183	180	176	166	159	149	141	133	125	115	104	94	84	79
Nebraska	345	341	332	315	300	282	268	252	236	217	197	179	158	149
Kansas	747	737	719	681	649	610	579	545	510	469	427	386	343	322

South Atlantic	18,970	18,700	18,240	17,295	16,484	15,484	14,700	13,836	12,944	11,917	10,836	9,809	8,701	8,161
Delaware	146	144	140	133	127	119	113	106	99	92	83	75	67	63
Maryland	913	900	878	832	793	745	707	666	623	573	521	472	419	393
District of Columbia	81	80	78	74	70	66	63	59	55	51	46	42	37	35
Virginia	2,520	2,484	2,423	2,298	2,190	2,057	1,953	1,838	1,720	1,583	1,440	1,303	1,156	1,084
West Virginia	662	652	636	603	575	540	513	483	451	416	378	342	303	285
North Carolina	3,500	3,450	3,366	3,191	3,041	2,857	2,712	2,553	2,388	2,199	1,999	1,810	1,606	1,506
South Carolina	1,823	1,797	1,753	1,662	1,584	1,488	1,413	1,330	1,244	1,145	1,041	943	836	784
Georgia	3,313	3,266	3,185	3,020	2,879	2,704	2,567	2,416	2,260	2,081	1,892	1,713	1,520	1,425
Florida	6,013	5,927	5,782	5,482	5,225	4,908	4,660	4,386	4,103	3,777	3,435	3,109	2,758	2,587
East South Central	6,573	6,479	6,320	5,992	5,711	5,365	5,093	4,794	4,485	4,129	3,755	3,399	3,015	2,828
Kentucky	1,019	1,005	980	929	886	832	790	743	696	640	582	527	468	439
Tennessee	2,352	2,319	2,262	2,145	2,044	1,920	1,823	1,716	1,605	1,478	1,344	1,216	1,079	1,012
Alabama	1,963	1,935	1,887	1,789	1,705	1,602	1,521	1,431	1,339	1,233	1,121	1,015	900	844
Mississippi	1,239	1,221	1,191	1,129	1,076	1,011	960	903	845	778	708	640	568	533
West South Central	11,121	10,962	10,693	10,138	9,663	9,077	8,618	8,111	7,588	6,986	6,352	5,750	5,101	4,784
Arkansas	753	743	724	687	655	615	584	550	514	473	430	390	346	324
Louisiana	1,534	1,512	1,475	1,398	1,333	1,252	1,189	1,119	1,047	964	876	793	704	660
Oklahoma	1,466	1,446	1,410	1,337	1,274	1,197	1,136	1,070	1,001	921	838	758	673	631
Texas	7,367	7,262	7,083	6,716	6,401	6,013	5,709	5,373	5,027	4,628	4,208	3,809	3,379	3,169
Mountain	4,241	4,181	4,078	3,867	3,686	3,462	3,287	3,093	2,894	2,664	2,423	2,193	1,945	1,825
Montana	342	337	329	312	297	279	265	249	233	215	195	177	157	147
Idaho	366	361	352	334	318	299	284	267	250	230	209	189	168	158
Wyoming	187	185	180	171	163	153	145	137	128	118	107	97	86	81
Colorado	1,003	989	965	915	872	819	778	732	685	630	573	519	460	432
New Mexico	555	547	534	506	482	453	430	405	379	349	317	287	255	239
Arizona	1,077	1,062	1,035	982	936	879	835	785	735	677	615	557	494	463
Utah	441	435	424	402	383	360	342	322	301	277	252	228	202	190
Nevada	270	266	259	246	234	220	209	197	184	169	154	139	124	116
Pacific	5,898	5,814	5,671	5,377	5,125	4,814	4,570	4,302	4,024	3,705	3,369	3,050	2,705	2,537
Washington	1,079	1,064	1,038	984	938	881	836	787	736	678	617	558	495	464
Oregon	703	693	676	641	611	574	545	513	480	442	402	364	323	303
California	3,946	3,890	3,794	3,598	3,429	3,221	3,058	2,878	2,693	2,479	2,254	2,041	1,810	1,698
Alaska	70	69	67	64	61	57	54	51	48	44	40	36	32	30
Hawaii	99	98	95	90	86	81	77	72	68	62	57	51	46	43
Total	70,200	69,200	67,500	64,000	61,000	57,300	54,400	51,200	47,900	44,100	40,100	36,300	32,200	30,200

Source: Estimates based on NACS State of the Convenience Store Industry, Progressive Grocer, Chain Store Guide.
Regions based on Bureau of Census breakdowns.
These figures are for United States Convenience Stores greater than 1,000 square feet in building size.

TABLE XI-5

HOUSEHOLDS PER CONVENIENCE STORE BY STATE: NACS ESTIMATES

	1989	1988	1987	1986	1985	1984	1983	1982	1981	1980	1979	1978	1977	1976
New England	1,277	1,282	1,293	1,346	1,395	1,462	1,510	1,594	1,696	1,802	1,959	2,137	2,367	2,485
Maine	825	821	820	845	873	914	938	986	1,047	1,106	1,179	1,262	1,392	1,456
New Hampshire	1,091	1,080	1,074	1,095	1,113	1,149	1,169	1,224	1,293	1,358	1,438	1,522	1,705	1,695
Vermont	1,175	1,159	1,154	1,194	1,227	1,280	1,320	1,388	1,459	1,542	1,610	1,726	1,898	1,986
Massachusetts	1,298	1,308	1,323	1,384	1,441	1,514	1,565	1,655	1,766	1,880	2,062	2,269	2,510	2,652
Rhode Island	1,346	1,355	1,374	1,429	1,479	1,548	1,603	1,698	1,810	1,932	2,106	2,257	2,505	2,655
Connecticut	1,675	1,690	1,711	1,785	1,855	1,947	2,019	2,130	2,267	2,409	2,630	2,889	3,203	3,373
Middle Atlantic	2,761	2,783	2,820	2,951	3,068	3,234	3,359	3,554	3,788	4,047	4,475	4,910	5,496	5,802
New York	3,484	3,513	3,562	3,734	3,888	4,099	4,257	4,500	4,800	5,139	5,742	6,343	7,105	7,537
New Jersey	2,356	2,378	2,406	2,511	2,599	2,723	2,816	2,970	3,153	3,345	3,652	4,018	4,494	4,711
Pennsylvania	2,292	2,307	2,337	2,444	2,543	2,691	2,802	2,973	3,173	3,393	3,723	4,034	4,515	4,748
East North Central	1,721	1,728	1,748	1,825	1,898	1,999	2,077	2,208	2,362	2,528	2,720	2,973	3,308	3,453
Ohio	1,439	1,444	1,462	1,526	1,588	1,674	1,743	1,852	1,980	2,119	2,270	2,488	2,747	2,898
Indiana	1,637	1,641	1,660	1,731	1,803	1,897	1,968	2,091	2,232	2,389	2,591	2,785	3,080	3,235
Illinois	2,664	2,674	2,709	2,833	2,955	3,118	3,244	3,442	3,674	3,925	4,269	4,632	5,183	5,404
Michigan	1,369	1,376	1,395	1,453	1,503	1,579	1,641	1,752	1,886	2,033	2,169	2,398	2,701	2,774
Wisconsin	2,002	2,006	2,019	2,107	2,191	2,302	2,386	2,529	2,692	2,858	3,044	3,359	3,689	3,863
West North Central	1,325	1,330	1,343	1,404	1,462	1,541	1,598	1,691	1,801	1,915	2,033	2,257	2,488	2,617
Minnesota	1,218	1,218	1,222	1,273	1,319	1,382	1,432	1,517	1,612	1,705	1,817	1,987	2,182	2,287
Iowa	1,095	1,100	1,115	1,173	1,236	1,313	1,370	1,458	1,563	1,673	1,747	1,982	2,195	2,317
Missouri	1,444	1,450	1,466	1,526	1,584	1,664	1,722	1,821	1,944	2,073	2,161	2,455	2,706	2,846
North Dakota	1,600	1,630	1,657	1,762	1,849	1,952	2,023	2,123	2,222	2,351	2,495	2,719	3,022	3,177
South Dakota	1,485	1,489	1,510	1,574	1,639	1,725	1,774	1,870	1,983	2,119	2,302	2,490	2,759	2,903
Nebraska	1,800	1,806	1,827	1,921	2,012	2,128	2,204	2,334	2,482	2,631	2,888	3,112	3,426	3,633
Kansas	1,291	1,298	1,311	1,371	1,424	1,503	1,561	1,649	1,749	1,857	2,015	2,202	2,418	2,538

South Atlantic	863	857	858	884	906	940	961	1,005	1,057	1,104	1,187	1,231	1,361	1,411
Delaware	1,715	1,698	1,698	1,745	1,792	1,866	1,921	2,013	2,131	2,260	2,402	2,640	2,916	3,061
Maryland	1,894	1,885	1,887	1,949	2,001	2,089	2,152	2,268	2,407	2,548	2,800	3,000	3,344	3,471
District of Columb	2,981	3,111	3,203	3,391	3,558	3,803	3,990	4,256	4,586	4,981	5,413	6,577	7,334	7,848
Virginia	902	897	896	923	948	987	1,011	1,061	1,121	1,177	1,250	1,342	1,488	1,536
West Virginia	1,070	1,086	1,113	1,176	1,235	1,309	1,371	1,455	1,551	1,651	1,720	1,880	2,089	2,189
North Carolina	714	708	710	733	754	782	799	839	883	929	1,000	1,037	1,152	1,190
South Carolina	683	682	684	708	728	757	777	818	860	899	960	1,001	1,094	1,142
Georgia	713	709	709	728	743	767	782	817	858	900	951	991	1,090	1,137
Florida	844	830	827	846	862	887	899	930	967	991	1,077	1,053	1,160	1,195
East South Central	871	873	883	919	952	998	1,033	1,090	1,154	1,223	1,305	1,380	1,528	1,590
Kentucky	1,370	1,376	1,395	1,458	1,517	1,597	1,661	1,751	1,856	1,972	2,061	2,237	2,468	2,593
Tennessee	800	799	805	832	861	898	927	977	1,034	1,096	1,191	1,228	1,348	1,407
Alabama	774	776	786	818	847	888	918	968	1,027	1,088	1,160	1,234	1,389	1,416
Mississippi	750	753	764	799	828	869	900	951	1,006	1,063	1,131	1,194	1,320	1,387
West South Central	886	886	903	949	981	1,026	1,059	1,100	1,137	1,185	1,291	1,410	1,553	1,493
Arkansas	1,210	1,216	1,237	1,288	1,338	1,405	1,452	1,527	1,620	1,724	1,859	1,964	2,185	2,249
Louisiana	1,018	1,030	1,058	1,123	1,167	1,228	1,275	1,336	1,399	1,465	1,598	1,750	1,929	1,862
Oklahoma	852	857	882	938	982	1,042	1,089	1,131	1,162	1,215	1,313	1,333	1,509	1,576
Texas	833	828	841	881	905	942	968	1,001	1,029	1,065	1,164	1,269	1,419	1,323
Mountain	1,170	1,165	1,172	1,213	1,244	1,293	1,326	1,381	1,438	1,496	1,575	1,670	1,747	1,793
Montana	898	902	922	976	1,027	1,086	1,125	1,179	1,248	1,323	1,434	1,573	1,697	1,775
Idaho	1,010	1,005	1,016	1,066	1,112	1,167	1,205	1,265	1,340	1,408	1,529	1,547	1,684	1,739
Wyoming	944	953	982	1,065	1,117	1,190	1,246	1,324	1,368	1,410	1,401	1,517	1,605	1,649
Colorado	1,277	1,280	1,300	1,356	1,400	1,462	1,505	1,563	1,621	1,683	1,832	1,976	2,036	2,066
New Mexico	987	983	997	1,034	1,055	1,097	1,125	1,164	1,212	1,265	1,262	1,383	1,508	1,554
Arizona	1,210	1,207	1,197	1,215	1,221	1,249	1,265	1,313	1,365	1,415	1,455	1,460	1,579	1,625
Utah	1,211	1,205	1,221	1,278	1,318	1,378	1,413	1,480	1,545	1,621	1,667	1,868	1,888	1,950
Nevada	1,640	1,570	1,532	1,546	1,567	1,614	1,642	1,709	1,767	1,795	1,949	2,031	1,852	1,880
Pacific	2,393	2,369	2,366	2,443	2,508	2,611	2,688	2,823	2,976	3,127	3,377	3,707	3,968	4,084
Washington	1,730	1,708	1,698	1,751	1,803	1,881	1,939	2,052	2,171	2,273	2,433	2,673	2,771	2,785
Oregon	1,603	1,590	1,588	1,650	1,708	1,796	1,859	1,983	2,119	2,246	2,265	2,494	2,793	2,787
California	2,681	2,655	2,653	2,736	2,805	2,915	3,001	3,146	3,312	3,481	3,793	4,166	4,462	4,623
Alaska	2,578	2,557	2,591	2,780	2,867	2,965	2,975	2,906	2,875	2,986	3,184	3,462	3,715	3,895
Hawaii	3,638	3,609	3,605	3,692	3,804	3,975	4,083	4,269	4,490	4,668	5,116	5,476	5,822	6,090
Total	1,324	1,323	1,334	1,387	1,434	1,501	1,550	1,632	1,725	1,823	1,969	2,132	2,347	2,427

XII. Trends in Retailing

TABLE XII-1

RETAIL SALES, SELECTED INDUSTRIES, MILLIONS OF DOLLARS

	Total Retail Trade	(%) Change	Durable Goods Stores	(%) Change	Non-Durable Goods Stores	(%) Change	Gasoline Service Stations	(%) Change	Eating & Drinking Places	(%) Change	Food (Grocery) Group	(%) Change	Drug & Proprietary Stores	(%) Change	Convenience Stores (Total)	(%) Change
1989	$1,733,654	5.1%	$645,524	2.9%	$1,088,130	6.4%	$115,634	7.2%	$173,527	4.8%	$349,269	7.0%	$61,104	6.4%	$67,700	10.6%
1988	$1,650,005	7.0%	$627,370	8.8%	$1,022,635	5.9%	$107,906	3.0%	$165,511	7.9%	$326,504	5.5%	$57,444	6.1%	$61,200	2.7%
1987	$1,542,102	6.3%	$576,615	6.5%	$965,487	6.2%	$104,769	2.6%	$153,461	10.1%	$309,461	4.2%	$54,142	7.1%	$59,600	10.6%
1986	$1,450,317	5.4%	$541,457	8.6%	$908,860	3.6%	$102,093	-9.9%	$139,415	9.0%	$297,019	4.2%	$50,546	7.6%	$53,900	4.9%
1985	$1,375,704	6.8%	$498,803	9.6%	$876,901	5.3%	$113,341	5.4%	$127,949	5.5%	$285,062	4.8%	$46,994	6.8%	$51,400	12.7%
1984	$1,287,789	10.0%	$455,261	16.3%	$832,528	6.8%	$107,565	4.5%	$121,321	7.1%	$271,909	6.2%	$44,011	8.4%	$45,600	9.6%
1983	$1,170,837	9.5%	$391,571	16.5%	$779,266	6.3%	$102,927	5.6%	$113,281	8.3%	$256,018	4.0%	$40,591	11.4%	$41,600	15.9%
1982	$1,069,369	3.0%	$336,159	3.5%	$733,210	2.7%	$97,440	-5.5%	$104,593	6.6%	$246,122	4.2%	$36,440	7.2%	$35,900	15.1%
1981	$1,038,698	8.5%	$324,811	8.6%	$713,887	8.5%	$103,072	9.5%	$98,118	8.9%	$236,188	7.2%	$33,999	9.8%	$31,200	27.3%
1980	$957,350	6.8%	$299,220	-2.7%	$658,130	11.7%	$94,093	28.0%	$90,058	9.7%	$220,224	11.2%	$30,951	8.8%	$24,500	31.0%
1979	$896,769	11.5%	$307,546	9.3%	$589,223	12.7%	$73,521	22.8%	$82,110	14.3%	$197,985	12.9%	$28,455	11.1%	$18,700	36.5%
1978	$804,153		$281,433		$522,720		$59,889		$71,828		$175,425		$25,607		$13,700	

Definitions

Average Gas Selling Price Per Gallon:
Total Gas Sales Dollars/Gallons Sold

Direct Store Operating Expense:
Wages, Payroll taxes and benefits, Advertising and Promotion, Utilities, Real and personal property taxes, Insurance, Depreciation and amortization, Store rent, Equipment rent, Communications, Repairs and maintenance, Supplies, Cash short and over, Other.

Employees:
Store Employees: full-time, part-time Non-Store Employees: supervisory, corporate staff

General and Administrative Expense:
Includes headquarter's expense, all headquarter's employee wages, district managers' and store supervisors' salaries

Gross Profit Cents Per Gallon on "Commission Pumps":
Includes only the company's share and excludes the supplier's share

Investment:
Land: includes site preparation and parking lot
Building: includes sign Gas
Inventory: at cost Non-Gas
Inventory: at cost

Labor Cost:
Wages + Payroll Taxes + Benefits: All compensation of store managers, assistants, clerks, etc. including incentive bonuses. Does not include district manager and store supervisors, which is included in General and Administrative. Includes holidays, vacations and sick leave pay, workmen's compensation, group life, medical and hospital insurance, social security and employment taxes, company welfare, profit sharing and pension plans, etc.

Non-Gas Inventory Turn:
Average Annual Store Sales/Average Store Inventory at Retail

Other Expenses:
Interest, etc.

Other Income:
Games, Sales tax discounts, Check cashing, Money order commissions, Rent (includes rental income on non-store properties), Interest, Lottery, Video Tape Rental, etc.

Pre-Tax Profit:
(Gross Profit on Merchandise Sold - Direct Store Operating Expenses) = Store Operating Profit minus G & A plus (Other Income - Other Expense) = Pretax Profit

Rent:
Rent is net the return to the lessor for the facilities constructed (land and building), net of any executory costs such as taxes, repairs and insurance. In addition, this amount is net of store subrent income.

Rural areas:
less than 50,000 population